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The Nation's Business

Corporations Are Under Fire

Meet Abuse To-day in Many Quarters

Frankness, Publicity, Are Remedies for Suspicion

THE old game of trying to make the people believe that big business is the enemy of the public proceeds at a furious pace. Every move of the big public service corporations is now seized upon by one group or other of newspapers and politicians as an opportunity to pose as protectors of the people. If the public's suspicions are not immediately aroused by the corporation's act the politicans make it their business to see that the opportunity of inciting mistrust and raising suspicions does not go to waste.

The Sun Life Assurance Company, the Bell Telephone Company, the Consumers' Gas Company of Toronto, and the British Columbia Power Company and the Canada Cement Company have all been the subject of attack in recent months.

* * *

THE Sun Life Assurance Company has had a bill before Parliament to raise its capital stock. There are obviously two reasonable and opposed viewpoints that may be taken on the virtue of the bill and, for reasons which he has explained in a moderate and business-like manner, G. D. Finlayson, superintendent of insurance, has opposed it. But some of the members have refrained from discussing the bill on its merits. Rather they have made of the debate on it an opportunity to vilify a public service institution that has for many years given protection to Canadian homes, provided capital for expansion in the country and made the name of Canada known around the world.

One sharp-tongued member with more of a flair for abuse than for common honesty of speech used the following somewhat mean language in discussing the bill:

"This bill reminds me of a pirate ship; it is sailing on the high seas of finance but it is not flying the jolly roger. If she were flying the jolly roger at the masthead everyone would know exactly what her objective was. But she is flying the Canadian flag on the foremast, the union jack on the mainmast and on the mizzen a burgee of goodwill to the public. With these decorations she sails on to victory. No one questions the skipper as to what the port is; no one raises any objection to the course that is being steered; no one asks anything about the nature of the cargo. She is allowed to pass by unquestioned. If she were true to her real purpose and destiny she would fly the jolly roger."

There was more of the like nature.

* * *

THE Bell Telephone Co. has been seeking to double its authorized capitalization to permit it to raise capital to meet its growing service needs of Ontario and Quebec. The way the G. R. Geary-T. L. Church-newspaper combination presented the bill was clearly designed to make the public believe that the Bell Telephone Company was preparing a raid of major proportions upon the public. Palpable falsehoods, deliberately or through ignorance were handed the public concerning the company. Even an honorable K.C. and LL.D of Toronto permitted himself to write a misleading letter to one of the Toronto papers throwing out the charge that the Bell Telephone Company through subsidiaries was concealing enormous profits.

* * *

THE Consumers' Gas Company has been made the political football of one or two Toronto politicians, who probably know how ridiculous are their condemnation of the company, but who also know how well corporation baiting goes across with Toronto electors.

The Canada Cement Company was recently the subject of a group of articles in the Manitoba Free Press, which threw out the inference, if not the direct charge, that the corporation has made colossal profits by reason of the 29 cents a barrel duty on cement.

The textile companies have been under constant tariff attack in the House of Commons.

At the present time, the Vancouver Sun is attacking the refinancing of the British Columbia Power group. It is arguing in circles. First it hints that the company is likely to go broke and cause loss to investors. Secondly it attempts to make its readers believe that the only way the company can earn money on its present capitalization is by jacking up rates in the city. The Vancouver Sun does not quite know what it is trying to say, but that makes little difference to its class of readers. They get the impression that they are in for a plucking.

* * *

APPARENTLY a period of corporation baiting is upon us again. No doubt it is the last stand of the public ownership enthusiasts who are finding that the public no longer reaches out to that chimera.

Under fire from the Lafollettes and Bryans of Canada, big business must be prepared to meet suspicion with frankness and ignorance with information. Big business must play absolutely square with the public. Most big business firms do that now and do it because they know that it is the only road to success. Public service corporations particularly find that when the emphasize the "public service" the politicians are less able to make capital out of the "corporation."

Straight dealing is not enough. Public service corporations must make their case to the public continuously, not waiting until they are on the defensive. Advertising is a more direct route to the public than propaganda issued in indirect fashion. Publication of complete financial information, submission to fair governmental regulation and frankness on all matters touching relations with the public are essential concomitants to good service.

It is up to the public service corporations themselves to rid themselves of the menace of the cheapskate politician. They can best do it by beating him to it in getting their message to the public and doing it in a way that will convince the public of their sincerity.

Big business has nothing to fear but ignorance.

1928 PROMISES BANNER YEAR FOR DOSTACO

Sydney Steel Plant and Mines Are Very Busy

WAGE BILL GROWS

Holt-Gundy Control Brings Steady Activity to Old Besco Group of Enterprises

From Our Own Correspondent

SYDNEY.—The best times that the Nova Scotia steel and coal industries have known since 1920 are now being enjoyed by the various centres in which are located the plants of the Dominion Steel and Coal Corporation, the new Holt-Gundy organization made up of the constituents of what was formerly known as Besco.

At Sydney steel plant, broken time has become a thing of the past; the working force has been expanded from 2,500 to more than 3,100 men and all are working six days a week with several departments double shifted. The change is all the more grateful to the community by reason of the fact that since 1924 half time or less has been the hard lot of hundreds of the employees.

Sees 1928 Banner Year

J. E. McLurg, vice-president in charge of operations, who has never been one to indulge in undue optimism, in the course of a speech at the recent opening of the new Isle Royale Hotel, declared that the corporation hopes to make 1928 a banner year in both industries.

Referring to the belief that anticipation is more pleasurable than realization, and the long deferred boom in Cape Breton industries, McLurg said:

"I cannot go too much into details, but I will tell you this: Your realizations in 1928 are going to exceed your expectations."

Mr. McLurg declared that in Cape Breton Island in 1927, the corporation had disbursed $17,200,000 in wages and salaries alone, and intimated that these figures would be substantially exceeded in 1928.

Another Case of Poetic Justice

The building of this hotel, incidentally, was entirely a community project, the required $300,000 being raised by public subscription in 1927 at a time when the old Besco structure seemed extremely wobbly and the local outlook was apparently at its darkest. That the courage of the citizens, who in some instances were literally staking their last dollar on the future of the district, is about to be rewarded, seems like one of those instances of poetic justice that come but once in a life-time.

The coal fields began to boom before the steel mills felt the benefit of the new ownership. For some time the mines at Glace Bay, New Waterford, Sydney Mines and elsewhere have been gradually working up to the maximum summer production rate, which has not been nearly attained.

The first payment of the "bonus money" under the recently signed two year contract between Dominion Coal and the U.M.W. was made in May: and the other day the miners of Glace Bay alone drew between $90,000 and $95,000 in wages, with a prospect that the weekly pay-roll will soon pass the $100,000 mark. These sums thrown into local trade channels are having a remarkably livening effect upon business conditions generally.

More Coal Being Mined

The Asbestos Corporation is understood to be taking a lot more coal this season than formerly; No. 6 mine, closed since the strike of 1925, is to be re-opened soon; a four foot seam of splendid coal, supposed to be the long lost Mullins seam, has been located by boring in a yard at North Sydney; and all indications point to a season of heavy production, possibly reaching the 6,000,000 tons mentioned by Holt-Gundy representatives, during the wage negotiations, as a desirable 1928 objective.

Should this production be attained, the cost per ton would be lowered to under $3, and would probably mean the most substantial profits on coal in the recent history of Nova Scotia.

Coal shipments up the river are now in full swing, and a constant succession of big colliers for Montreal, Quebec and Three Rivers are moving in and out of International Piers, Sydney. The grievances of the shippers and trimmers have been satisfactorily adjusted between the

(Continued on page 2, col. three)

Volume Down, 'Change Reverts to Old Hours

Following the example of the New York Stock Exchanges, the Canadian exchanges on May 28 resumed the former hours of trading, the transactions ceasing at 3 o'clock, instead of 2 o'clock. Saturday holidays probably will be continued indefinitely.

The early closing was attempted with a view to clearing the day's transactions more readily. It was found, however, that the volume of trading was reduced materially, particularly from Western points, where even at present the exchange closes at an hour which corresponds to the forenoon in central and Pacific regions.

BRITISH CIRCULAR ON SIFTON PAPERS PUZZLES OTTAWA

Ottawa Asks What is Purpose of British Government Circular?

From Our Own Correspondent

OTTAWA.—A somewhat curious document has been passed from hand to hand in Ottawa recently. It is a copy of a confidential circular, sent out by the Department of Overseas Trade of the British Government, probably to all agents and trade commissioners and possibly to a much wider list, including British manufacturers. It reports the recent sale of the four leading Saskatchewan newspapers to the Sifton family and reads as follows:

Department of Overseas Trade.
(Confidential) April 25, 1928
(CANADIAN PRESS)

The officer-in-charge of His Majesty's trade commissioner's office at Winnipeg informs the department of overseas trades that an announcement has recently been made to the effect that the Regina Leader, the principal morning paper in Saskatchewan, has been acquired by the Armadale Corporation of Toronto.

The stock of this corporation is owned in equal parts by the following:

J. W. Sifton, Winnipeg, Man.
W. Sifton, Mallorytown, Ont.
Harry Sifton, Toronto, Ont.
Clifford Sifton, Jr., Toronto, Ont.
Victor Sifton, Toronto, Ont.

The Regina Leader controlled the Regina Post, the Saskatoon Phoenix, and the Saskatoon Star. Control of these papers now passes also to the Armadale Corporation.

In effect, the above announcement implies that the four principal papers in Saskatchewan are now under the same control as the Manitoba Free Press, an organ, which, in public estimation at any rate, has been the particular champion of Canadian nationalism.

Just what interest the British Overseas Trade Department has in the political viewpoint of Canadian newspapers is the question raised by the document. One suggestion is that the purpose may be to guide British manufacturers in placing their advertising, and that the British department is gently hinting that Canadian papers with a nationalist slant should not be supported. If any such intention lies behind the last phrase in the letter, Ottawa sees it as merely the indiscreet viewpoint of some departmental official, who may by this time have been called on the carpet for his reference to the Free Press. But Ottawa has found it particularly startling to discover that that a British Government Department in this day and generation is seeing fit to report upon the political policy of a Canadian paper.

It is understood that the Manitoba Free Press has no objection to be known as "the particular champion of Canadian nationalism," but it prefers to give its own definition to Canadian nationalism and if the inference of the letter is that its nationalism is of the separatist or anti-Imperialist type, then the Free Press would be likely to object to the charge. The Free Press since the last Imperial Conference has favored a nationalist policy along the lines of the preamble to the Balfour formula. Numerous other Canadian newspapers and statesmen have also accepted this definition of Canada's status.

Incidentally, the letter makes one mistake that must be considered as natural in view of the former confusion in the position of the four Saskatchewan newspapers now under Sifton control. The two Saskatoon papers were not controlled by the Regina Leader. In buying them, the Siftons made a deal with the owners, separate from the Regina Leader-Post transaction.

B.C. FISHING SHUTS DOWN TEN PLANTS

Remaining 24 Normally Should Pack Half of Catch

OTHERS RUNNING 40

But Independents Probably Also Will Co-operate in Eliminating Wasteful Expense

Ten salmon-packing and oil-meal plants will not be operated in the next season and probably will be scrapped as a result of the merger of British Columbia Fishing & Packing and Gosse Packing Co. under the name of British Columbia Packers. This will leave 24 plants in operation which, under normal conditions, should pack half of the catch of salmon and pilchards. The independent companies operate about 40 plants.

It is expected that there will be immediate substantial benefits from the merger of these two companies if there is a normal catch of fish this year. Vast economies can be effected as a result of reduction in the amount of fishing gear employed. It is contended that the overlapping of fishing gear in recent years has increased expenses enormously without adding materially to the amount of fish caught. It is believed that, with the influence of the government and in their own best interests, the independent companies also will endeavor to operate more economically than has been general in the industry in the last few years.

The combined enterprise is being operated at present by an executive committee composed of J. M. Whitehead, Clifford Thomas, R. C. Gosse and R. J. Gosse. Mr. Whitehead was general manager of B. C. Fishing and a veteran in the business. Mr. Thomas was assistant general manager of the same company. R. C. Gosse was president, and R. J. Gosse, vice-president, of Gosse Packing.

No new financing is contemplated at present. The merged company has ample working capital in view of the fact that Wood-Gundy & Co. put up $1,000,000 at the time of the organization of B. C. Packers.

Lake St. John and Brompton Sale Unlikely

There is little possibility of a merger of Brompton Pulp & Paper and Lake St. John Power & Paper. The latter company began operations last year and is under a ten-year contract for newsprint for the Hearst papers. Brompton and Lake St. John timber limits adjoin and there have been some tentative negotiations. According to information which comes from a source acquainted with Brompton affairs, nothing is likely to result at this time.

Both Brompton and Lake St. John were financed through Dominion Securities Corp.

A. J. FREIMAN SALES ADVANCE OVER LAST YEAR

Substantial Increase in Both Volume of Business and Profit

Sales of A. J. Freiman, Limited, for the four months ended yesterday, are stated to be substantially ahead of last year, the actual percentage of increase being probably around 7 per cent. In view of the fact that last year was a record year with sales a third of a million dollars ahead of previous high in 1926-7, the showing this year is particularly gratifying.

A. J. Freiman, Ltd., operating under a federal charter, late in April refinanced through sale of $1,000,000 6 per cent. cumulative sinking fund preferred stock, offered at par of $100 and carrying bonus of ½ share n.p.v. common. The company operates the largest department store in Ontario east of Toronto, and is the outgrowth and development of an original business founded in 1900 by A. J. Freiman, the president and managing director of the present company.

International Utilities May Enter Prince Albert

Prince Albert, Sask., is the largest Western Municipality to which a proposition for a power franchise has been submitted by Mid-West Utilities, subsidiary of International Utilities.

COLD WANING TOURISTS HERE OILS ALLURE

Despite This, New York Flurry Depresses Distributors

SURPLUS IS BRAKE

Overproduction of Crude No Effect on Profit of Smaller Companies; Imperial Suggested Best Long Hold

Although the tourist season is at hand, the popular oil stocks on the Canadian market reacted with the other groups this week when call-money rose (it later receded) in New York. With Imperial Oil below 70 and British American below 40, there were many comments as to possibilities in these stocks.

It is conceded that the best oil stock for a hold of years is Imperial Oil, which is a producer, refiner and wholesale and retail distributor of oil and gasoline throughout Canada. But the immediate outlook may be somewhat brighter for some of the smaller companies, which are primarily distributors of oil and gasoline and interested not at all, or relatively little, in the producing end of the business.

In these days of surplus production of crude oil, the companies which are producers are selling at least a portion of their product at prices which do not leave a satisfactory profit. The smallness of this margin is retarding the improvement of International Petroleum, although this company remains a substantial source of revenue to Imperial Oil, and probably is retarding production of crude in the Alberta fields, which are being developed by subsidiaries of Imperial Oil and by other companies, including Marland Oil and Hudson's Bay Co.

While British American Oil is a refiner and is interested in production in a small way, its main activities centre on wholesale and retail distribution in Ontario and Quebec and in Manitoba. This company buys crude in the cheapest market and with gasoline prices relatively higher in Canada than in the United States, the margin of profit is somewhat greater. Competition in Canada is confined to competition in the opening and operation of service stations and does not extend to prices.

Smaller Companies Gain

The same conditions apply even more forcibly to such companies as Supertest, which operate service stations in the regions of densest population and heaviest tourist traffic and buy from refining companies selling at the lowest prices.

Market Silences Criticisms Voiced of Spanish Deal

Companies Have Left Canadian Newsprint

From Our Own Correspondent

MONTREAL.—Official confirmation of the withdrawal of Price Brothers, Brompton and the Anglo-Canadian mills from the Canadian Newsprint Company, which was first exclusively announced in The Financial Post two weeks ago, has been lacking until this week when the central selling organization confirmed The Post's information. The Canadian Newsprint Company will continue handling the sale of Abitibi, Canada Power and Paper and Port Alfred and their subsidiary companies' output. Thus, still some 3,000 tons of newsprint will daily be sold through this one agency. This compares with a total daily production in this country of 8,500 tons. Of this last figure, the International Paper Company produces about 1,300 tons daily.

Drop in Abitibi Places Spanish Common and Pref. on Same Basis

BOTH WORTH $136

Spanish Preferred Now Satisfied with Their Position in Exchange of Shares

From Our Own Correspondent

MONTREAL.—The old preferred shareholders of the Spanish River Pulp and Paper Mills will no longer gnash their teeth at the treatment they were accorded when Spanish was taken over by the Abitibi Power and Paper Co. In the long anticipated decline in the shares of the newsprint companies which has now materialized, Abitibi dropped back to $68 a share. With the present delicate situation which surrounds the industry as a whole it can be said that there exists the possibility of perhaps further minor recessions in the common stock of Abitibi.

In any event, with Abitibi now selling at $68, the preferred shareholders of Spanish River fared as well as the Spanish common in the Abitibi-Spanish merger.

Prices Are Now Equal

Spanish River common stockholders received two shares of Abitibi or each share of Spanish common. The market value of one share of Spanish common therefore is now double that of Abitibi, namely, $136. The Spanish preferred shareholders exchanged each preferred share for one Abitibi preferred, plus half a share of Abitibi common; or, for one and a third shares of Abitibi preferred. Whichever exchange was made, the present market value of the old Spanish preferred stock now works out at $136, exactly the equivalent of the present valuation of one share of Spanish common.

When the offer was made to the Spanish preferred shareholders, there was some outcry from a few Spanish preferred shareholders, some of whom felt that they were not receiving their pound of flesh in the merger. There was no doubt that at the time, the Spanish preferred received all they were legally entitled to in the exchange, there was, however, a feeling among some of the preferred shareholders that morally they were entitled to better treatment.

At Expense of Common

However, Spanish preferred could only have obtained a larger share in the Abitibi Company at the expense of the Spanish common shareholders—a factor which has been overlooked by critics of the transaction. Incidentally, when the merger was finally consummated, there is little doubt that the stock market had more than discounted the possibilities of all the newsprint stocks including that of Abitibi. This was a factor which made it the harder for the Spanish management to arrive at a solution which would work out satisfactorily marketwise for all the interests involved.

The market has at last reflected some of the potentialities which exist in the general newsprint situation, with the result that the holders of Spanish preferred can regard the merger with equanimity. They have maintained their original preferred position; they will participate to a degree in any ultimate increase in Abitibi's earnings and in addition have fared as well marketwise as the Spanish common.

Situation Now Corrected

Each Spanish preferred now represents on Abitibi preferred and half a share of common. The preferred of Abitibi is quoted at $102 and a half share of Abitibi common at $68 is worth $34, making a total of $136.

If some of the Spanish preferred

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NEWSPRINT CUT ANNOUNCEMENT MEANS LITTLE

Virtually Price Unchanged — Mills Have Granted Discounts in Past

From Our Own Correspondent

MONTREAL.—That no particular significance can be attached to the $3 newsprint price reduction announcement can be seen in the fact that the International Paper Company common shares immediately jumped 3 points. For months past, the newsprint companies have been granting freight rate concessions and reductions of one kind or another on the announced $65 a ton price. The fact that a $62 ton price has been announced by the companies, therefore, does not mean that the manufacturers are necessarily to obtain any lower price for their production.

The announcement in itself, though, has a bearing which is of decided interest to all holders of newsprint stock. Had the newsprint companies foreseen any hope of a betterment in the demand for newsprint within the next few months, it is certain that they would not have come out in the open and announced the reduction, but instead would have carried on patiently and from time to time have eliminated some of the discounts which publishers have more or less been steadily obtaining for months past.

Position is Not Altered

In brief then it can be said that the price cut does not alter the position occupied by the industry as a whole, but it is an augury which indicates something of the future.

The present reduction seems to indicate quite clearly that there is no hope for any strengthening in prices this year. The corollary of this, of course, is that there is always the possibility of a further weakening of prices.

Consumption of newsprint on this continent in 1927 was no greater than in 1926. The production of the mills in North America during the first four months of the current year showed a fractional increase over 1927, but a larger proportion of the output went into overseas markets which in reality are used only to absorb what might be called the surplus production of the North American mills.

Saguenay Floods Might Cause Loss to Mills

From Our Own Correspondent

MONTREAL. — The flood situation prevailing in Lake St. John district and on the Saguenay is causing some losses to the paper companies operating in the district. It is understood that the floods have interrupted the railway service and that the paper mills including Lake St. John Power and Paper, Price Brothers, Port Alfred and the Quebec Pulp and Paper Mills Corporation have been unable to ship by rail for some days. It is expected that it will be a week at least before rail shipments can be resumed.

The Port Alfred mills, though are located on tidewater and shipments both to and from the plant have been made by vessel. The Lake St. John Power and Paper company of course has its entire output sold. But the storage capacity at all the newsprint plants is limited.

The more serious aspect of the floods, though, is the possibility of the various companies losing logs. With flood conditions prevailing, some of the smaller dams on the rivers are apt to go out with the result that pulpwood would be strewn hither and thither and yon along the river banks. Little loss has occurred to date and fortunately the high water levels are showing signs of declining.

Shingle Men Secure Suppression of Report on Roofing Materials

John Bull Takes $500,000 in Fees on B.C. Electric

The British government collected £100,000 in transfer fees in connection with the purchase of the British Columbia Electric Railway Co. shares. There also were transfer fees charged by the company's transfer agents which mounted into the tens of thousands of dollars, depending on the number of certificates involved.

The British Columbia utility will cease to be a source of revenue for the British Government except in so far as income tax can be collected from residents of Great Britain who buy shares in the new company or who hold preferred stock or debentures of the subsidiary companies. While for the present, it is understood the British Columbia Electric Railway Co. will remain in existence, it is expected that it will be liquidated in the interests of simplification and, incidentally, to reduce taxation against the enterprise. This will involve some further refinancing, as there are outstanding some debentures and perpetual preferred.

Seven Years' Research Work Results in "Orphan" Book

AFRAID OF EFFECT

British Columbia Mills Call Report Unfair and Fear Its Effect Upon Their $11,000,000 Industry

From Our Own Correspondent

MONTREAL.—Seven years ago a committee of prominent men was appointed to find out whether shingles would burn. They reported that shingles would burn, and as a result, it now looks as though the report itself would be burned.

The report was made under the aegis of the Dominion Fire Prevention Association. This association a few weeks ago authorized its publication. In the meantime the British Columbia lumbermen, considering the report unfair and in order to protect an $11,000,000 industry have brought pressure to bear to have the report suppressed.

The report in question is dated March 31, 1927, and contains facts regarding the combustibility of roofing materials. H. M. MacKay, dean of the Faculty of Applied Science and Engineering, McGill University, was chairman of the committee and its findings were prepared after exhaustive tests had been made over a period of some five years. The committee created its own laboratory and the investigations it carried on are considered the most important evidence on this subject.

Report is an Orphan

The committee collected the facts and set them forth in the report. The report, as yet, has never been circulated, but a few copies have been printed and given private circulation among the members of the Dominion Fire Prevention Association. A few weeks ago, at the annual meeting of this association, the question of printing and circulating the report came up and was threshed out. A resolution was brought in that the Dominion Fire Prevention Association should print and circulate the report. This was later amended, providing that the report be printed, without the name of any association or official attached to it. In other words, it became an orphan.

In the last few weeks, the British Columbia shingle interests have been active in bringing about the entire suppression of the report, because they believe its publication will seriously hurt an $11,000,000 Canadian industry. As a result, it now seems that the report itself will be burned, or at least suppressed in the interests of this Canadian industry.

Seven Years Ago

The original resolution, which caused the investigation into the subject, was proposed by the Canadian Lumbermen's Association and seconded by the Ontario Fire Pre-

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TIP TOP TAILORS PLAN EXPANSION AROUND ONTARIO

Sales For 1st Five Months Exceed Considerably Original Estimate

Further expansion of operating and sales policy is scheduled by Tip Top Tailors, according to interests close to the company. Review of sales for the first five months of the calendar year shows considerable advance on earlier estimates, sales for the five months being stated to be nearly 20 per cent. in advance of a year ago. To keep pace with demand, output has been greatly increased bringing production up to 800 units a day.

Present plans call for the opening of four new stores in Toronto in the near future; and possibly other sales depots will be opened in other parts of the country to meet the growing sales demands.

The increased business, moreover, is stated to have resulted in greater increase in profits than the sales themselves indicate, as under the company's method of operation, additional units reduce the overhead and cut the per unit cost, thus increasing per unit profit.

Besco Stock Now Selling Out of Line

From Our Own Correspondent

MONTREAL.—Either Besco second preferred is selling too low, or the common is selling too high. Recent buying in the common shares has forced the price of the stock up to a level close to that of the second preferred. The buying appears to be due to the expectation that good progress is being made on the financial reorganization of the corporation.

The total capitalization of the British Empire Steel Corporation consists of $8,032,100 in first preference shares; $49,958,575 in second preference shares and $21,305,400 in common stock.

The second preferred has never paid dividends. It can be seen that, while on an earning power basis there has been little behind the second preferred up to the present, yet it occupies a much stronger position than the common, and that the present spread between the two stocks

Dom. Gresham Decides to Pass Into Liquidation

Old Established Fire Insurance Company Will be Wound Up — Liquidator is Appointed

From Our Own Correspondent

MONTREAL.—The Crown Trust has been appointed provisional liquidators of The Dominion Gresham Guarantee and Casualty Company. The Financial Post learns that the company will in all probability be wound up immediately.

The company is one of the oldest Canadian companies writing fire and casualty insurance; it was incorporated in Canada in 1893.

It is understood that unsuccessful efforts were made to have the company taken over by some of the larger insurance companies, but that the gesture was fruitless. The company, as of this week, is refusing to issue any further policies.

It is understood that the situation regarding the company's affairs became apparent early in April, when orders were issued against it by the Dominion Government involving an amount something less than $2,000,000. The situation was handled very expeditiously and the information regarding the liquidator became known to The Financial Post this week.

At Dec. 31, 1926, the company had on deposit at Ottawa, for the protection of policyholders, something like $204,000. According to preliminary statement of business covering the year 1927, the company had a gross amount of fire insurance at risk amounting to $19,409,000. More than half of this, however, was reinsured, leaving a net amount at risk of $8,603,000.

Gross premiums written during the year in fire insurance, amounted to $176,700, while net premiums in all the lines that the company has been writing, totaled $594,831. This, with the amount of losses incurred in each case, is divided as follows:

Premiums and Losses, 1927

	Net Premiums	Losses Incurred
Fire	$ 56,826	$ 32,202
Plate glass	12,062	3,857
Burglary	46,103	16,794
Personal accident	33,973	28,492
Fidelity	36,819	20,605
Surety	45,304	4,477
Automobile	177,873	143,092
Sickness	30,525	21,544
Other accidents	29,520	6,726
Workmen's Compens.	125,826	123,538
	$594,831	$401,327
Ratio of losses incurred to net premiums written		67%

The former general manager and secretary of the company, Robert Welch, who is said to have been in ill-health for some time, left the company some two months ago and is at present in Vancouver, having joined the firm of Parsons, Brown and Wincler of that city.

The company has an authorized capitalization of $1,000,000, of which $250,000 is subscribed and fully paid in cash. Of this, $50,000 is in preferred shares and the remainder in ordinary stock. As of Feb. 26, 1927, the directors of the company, according to the government blue book were as follows: president, Fred W. Evans; vice-president, William Hanson; Sir Hormidas Laporte; F. W. Fairman; A. D. Anderson.

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SPECIAL SECTION

Featuring Metallic Mining in N. S. .. 15-21

PAGE HERSEY SALE RUMOR IS CURRENT

Steel of Canada Said to be Interested in Property

PUSH STOCK HIGHER?

Consolidation of Interests Would Involve Sum of Approximately $20,000,000

From Our Own Correspondent

MONTREAL.—Attention was attracted this week to the stock of Page Hersey Tubes, Ltd., by its ability to record an advance in price in face of the general decline in values across the board.

While reports indicate that earnings of this company are running at a very substantial rate, the belief still exists that Page Hersey is rounding into shape for a deal of considerable size.

Once before the stock of this company recorded an appreciable advance and then fell back to around the 100 mark. The reason then given for this decline was that a proposed deal had fallen through.

The story about Page Hersey, and it appears to be well founded, is that an agreement had been reached to sell it to Steel Company of Canada. It is said that arrangements went so far as to actually place a value upon the stock, namely, $140 a share. This, however, was much above the then current market value although it probably represented the true book value of the company. It was felt by the promoters that some objection would be raised by shareholders of Steel Company of Canada in paying such a high price. To overcome this, the stock was to be advanced to a level at or near 140. All went well until Gordon Perry sold the old Baldwin plant in Toronto to Page Hersey. This caused the deal with the Steel Company of Canada to be abandoned.

Montrealers in Deal

In the past month or two, a prominent Montreal investment banker has been known to take a great deal of interest in the activities of both Steel of Canada and Page Hersey. Montreal buying lately has been of no small volume and it is said that this banker and his associates have been accumulating Page Hersey stock with a view to putting the deal through on the old basis.

Acquisition of Page Hersey would give Steel Company of Canada a well rounded line of products. Twelve plants are now operated by Steel Company of Canada, producing products such as pig iron, rolled iron and steel, galvanized sheets, coke, forgings, bolts, nuts, wire, wrought pipe, hardware, lead products, etc. Page Hersey operate five plants devoted to the production of pipes and tubing for practically every industrial purpose. It will be noted that consolidation would give to Steel of Canada a complete line of iron and steel products, whereas at present production of pipes and tubing is a comparatively small end of its business.

Give Export Outlet

Another point worthy of consideration is that Page Hersey operates two plants at Cohoes, N.Y., manufacturing wrought iron skelp, wrought iron pipe and conduits for electrical wiring. At present Steel of Canada is not represented in the United States and its export business is comparatively small, while on the other hand Page Hersey conducts a large and profitable trade outside of the Dominion.

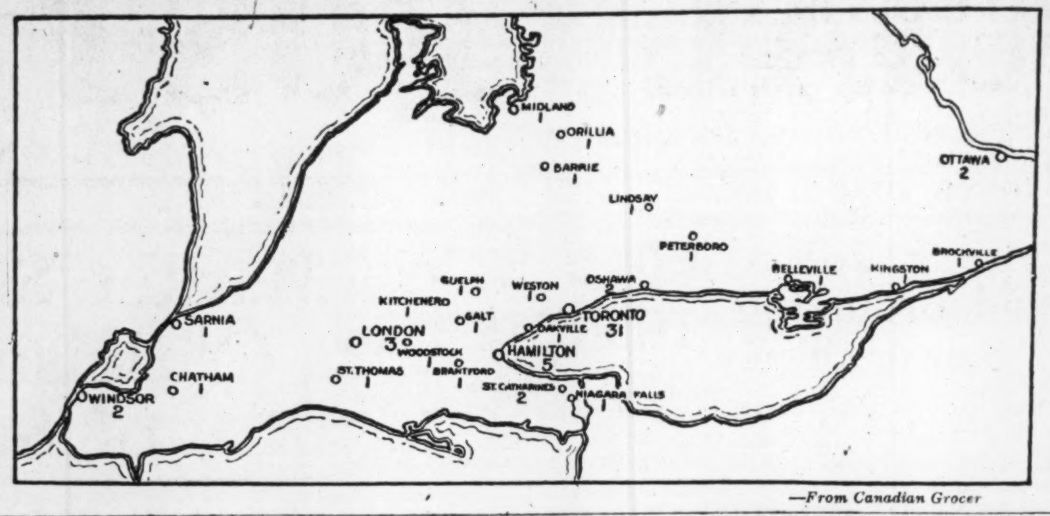
From the standpoint of management both companies could be operated economically under centralized control. Steel Company of Canada's plants are located at Hamilton, Montreal, Gananoque, Brantford, London, Lachine and Toronto, while those of Page Hersey are situated at Guelph, Welland and Cohoes, N.Y., with head office in Toronto.

Involve Large Sum

Consummation of a deal along the above lines would involve a sum approximately $20,000,000. At present the outstanding capitalization of Page Hersey Tubes, Ltd., consists of bonds amounting to $918,000 and $2,715,100 of preferred stock. In addition there are outstanding 116,818 shares of no par value common stock with a current market value of about $11,915,436.

Such a transaction would undoubtedly strengthen the position of Steel Company of Canada and the shareholders of Page Hersey Tubes would stand to gain by the deal.

MAP SHOWS LOCATION OF LOBLAW STORES IN ONTARIO



—From Canadian Grocer

SHINGLE MEN SECURE SUPPRESSION OF REPORT ON ROOFING MATERIALS

(Continued from page 1)

vention League, before the Dominion Fire Prevention Association in September, 1921. It stated that "Whereas it is desirable for the information of the general public that the comparative combustibility of the various roofing materials be determined, we, the D. F. P. A. recommend an impartial committee of technically competent persons be named to report upon the qualities of the various roofing materials now sold and used in Canada." The report was to be made to the executive committee of the association for approval and subsequent transmission to members and other interested parties.

This was seven years ago, and after many years of research, the committee submitted its final report on March 31, 1927. The report covers some 90 pages, is replete with illustrations, diagrams and tables and analyses in an extremely exhaustive way, the whole question of combustibility of roofing materials.

All Roofing Graded

The meat of the report is contained in a table which grades, in order of fire-resistive qualities, some 120 different types of roofings. These are listed in order of decreasing fire resistance, headed with slate, and at the bottom of the list come shingles.

The highest class of roofing is described as that which will give protection against severe fire exposure. The lowest class are roofings which will not give protection against burning brands, many being unable to withstand the action of the primary test, described as Brand "A."

When this matter was discussed at the recent annual meeting of the Dominion Fire Prevention Association, there was an extremely hot discussion. In the interests of fire prevention, it was contended that the facts, as shown in the report, clearly indicated the respective merits of shingles and other roofing material.

On the other side of the picture, the British Columbia lumber interests, raised bitter opposition to the publication of this report. They contended that for generations everyone had known that shingles would burn, but so, for that matter, would gasoline, night shirts, or dozens of other articles in common use. They further maintained that by dipping shingles in a fire-resistive preparation, a large part, if not all, of the attendant risk, could be eliminated.

They strongly urged that the report should not be given the official sanction of the association, on the grounds that it would immediately be used as propaganda by the manufacturers of patent roofings. In other words, if the report were released, it would be such a weapon in the hands of the roofing manufacturers as to almost destroy an industry which markets something like $11,000,000 of shingles a year.

U. S. Markets Important

The very large percentage of these shingles are marketed in the United States, and it was contended that this market would almost entirely be eliminated if this report received the official stamp of Canadian Government approval.

As already pointed out, the original resolution, moved by the Association at Ottawa, was amended, so that authority was given to print the report, but the fly leaf, containing the names of the officers and committee of the Dominion Fire Prevention Association, of which the Honorable James A. Robb, M.P., is honorary president, and Sir George E. Foster, president, was to be deleted.

B. C. Shingles Differ

Another phase of this matter is the respective merits of various kinds of shingles. The British Columbia shingle is claimed to be not only a superior product as far as shingles are concerned, but it is much thicker and seems to have more fire-resistant qualities than those which are imported from the United States and are circulated to a considerable extent in Western Canada.

The particular importance of the shingle industry in British Columbia arises from the fact that there is no other way at present of using the wood that goes into shingles. The wood used comes from a fifteen inch block which can be cut out between the branches of the tree, after the clear portion of the trunk has been used for lumber. The fact therefore that this $11,000,000 industry uses what would otherwise be waste wood is given as an important reason for retaining this industry for Canada.

MARKET SILENCES CRITICISMS VOICED OF SPANISH DEAL

(Continued from page 1)

shareholders accepted the exchange offer of one and a third Abitibi preferred, it can be seen that each share of Spanish preferred would also now be valued by the market at $136.

At the time the offer was made, Hood, the president, states. The Financial Post pointed out that the participating preferred shareholders of Spanish could not expect to participate to the full in the possible increase in earnings from all the mills in the merger. The subsequent market action of Abitibi stock corrected a situation for which the Spanish management was blamed, but for which it could not be held responsible.

1928 PROMISES BANNER YEAR FOR DOSTACO

(Continued from page 1)

company and the union and no trouble here is anticipated.

President MacLeod, of the U.M.W., is also negotiating an agreement for the miners at the independent (Eastern Trust) mines of the Inverness Coal and Railway Company.

Red Menace Looms

Some apprehension has been caused recently by the re-appearance on the scene of J. B. McLachlan, former leader of the U.M.W. (who for a time affiliated the Nova Scotia branch of that union with Moscow) and Joseph Gilbert, the pair advocating an all Canadian miners union in place of the U.M.W., which has its headquarters in Indianapolis. President John W. MacLeod, of District 26 U.M.W., and his officers are preparing actively to fight this propaganda, but in the opinion of many observers they need not take the trouble. While a great percentage of the miners sympathize with McLachlan and like him personally, they will never consent to forego the substantial advantages of the present relations between the U.M.W. and the new operators of the coal mines for the uncertain chances of a new union with its risk of another industrial war. They want no repetition of the last seven lean years.

Other forms of mining besides coal are showing unwonted activity. An Ottawa concern recently hired 30 local workmen and put them at the task of clearing and exploring the Coxheath Copper mine, about 10 miles from Sydney. Housing facilities for the workmen are being built; showing that it is no fly-by-night undertaking. W. W. Beaton is the engineer in charge, and it is understood that the property is under option from H. M. Pearl, of Boston, for exploration purposes.

Huronian Belt engineers and workmen are also exploring an older copper mine in the George's River district.

Open Fire Clay Deposit

The largest development of the week is the hiring of 60 men at River Denys, near Port Hood, Inverness, to open up a deposit of 5,000,000 tons of silica sand, china clay, and fire clay of a special quality, said to be the only large bed of the kind in the country. Pending construction of a spur line by the C.N.R., motor trucks are hauling the sand to River Denys station, whence it is being shipped to Sydney and New Glasgow steel plants as moulding sand. It is said to be superior for this purpose to silica sands now imported into Canada to the extent of 300,000 tons a year from the United States and Belgium. Some of the china clay has been shipped to a pottery at Saint John, N.B., for certain experimental tests. When the plant is going at full capacity it will employ 200 men and ship 100,000 tons of sand a year, J. A. MacLellan, of Port

MONTREAL PARK IS GETTING AWAY TO BRIGHT START

First Month's Operations Bring Higher Revenue Than Anticipated

From Our Own Correspondent

MONTREAL. — Despite unfavorable weather conditions, earnings of the Montreal Exhibition Company for the first month's operation of the new baseball stadium, are somewhat in excess of expectations.

The company had the advantage of a large advance revenue before the formal opening of the stadium took place. This amounted to approximately $111,000, including about $40,000 from the sale of season boxes and seats, $50,000 from advertising, refreshment concessions and sale of programmes and about $20,000 from store rentals. Another $10,000 is expected from the sale of additional advertising space.

Attendance figures, even under the adverse conditions experienced, have been twice what had been anticipated. For the first 14 home games, total admissions amounted to 63,000 and produced a revenue of about $44,000, after deducting guarantee to visiting clubs, which amounts to 12½ cents per ticket. This, it is stated, is the largest attendance reported by any club in the International League for the same period and the Montreal average admission per person of 77 cents is not exceeded by any city on the circuit.

Arrangements have been made by the company to utilize its facilities to the fullest possible extent. While the baseball club is on tour, arrangements have already been made to feature other sport activities such as boxing, soccer, club celebrations, etc.

INSURANCE MEDICOS DISCUSS POOR RISKS

Annual Meeting in London Will Bring Together Famous Examiners

Medical advisers and actuaries of life companies from all over the North American Continent will foregather in London three weeks from to-day to discuss various phases of medical impairments in relation to life insurance and to set up standards for the classification of risks coming under this category. This annual meeting will be held at the new head office of the London Life, in London, Ontario, and will be attended by some of the most eminent physicians and surgeons from all over the country.

Victoria Blast Furnace Resumes Operations

Victoria Blast Furnace at Port Colborne has resumed operations. The furnace was put into blast on May 24, following the completion of the work on the Welland Ship Canal at the plant, the canal at that point having been widened sixty-three feet.

The Victoria Furnace will continue to manufacture merchant pig iron for the foundry. Ores and other materials are now being unloaded on the docks direct from the ships that bring them down the lakes.

While the furnace was out of blast and prior to resuming operations, many improvements were added to the plant; the ore bridges were shortened, the furnace enlarged, and modern appliances to perfect the practice of producing pig iron for the foundry have been added.

FORD OF CANADA DIVIDEND HOPES ARE VERY SLIM

Even with Volume Production, Earnings May Not Mean Profits

Ford Motor of Canada, according to official reports, expects to be in its full production stride by about the middle of next August. At the present time production is around 300 cars a day, this peak having been rather rapidly attained, as until recently few new cars were being made. Along about August the daily output is expected to reach 500 cars a day, and if operations thence continue to run without hitch there is a possibility of 1928 total production of more than 90,000 Fords, or the second highest unit production to date.

This does not mean that dividends will be resumed on Ford shares; for according to company officials operating costs this year on the new car are, and will likely continue to be, as high as to result in operating losses rather than profits. New machinery and equipment has been very costly, and even with this new equipment cost of manufacture of the various units is stated to be below the present selling price.

It is interesting to note how Ford of Canada earnings have fluctuated in the past several years. Net profit for 1927 was $171,222, or $2.44 a share on 70,000 shares of $100 par capital stock, in striking contrast with results of former years when earnings ran as high as $6,132,327, or $87.60 a share for fiscal year ended July 31, 1925. Earnings for year ended December 31, 1926, were $5,341,177, or $76.30 a share. In the five fiscal years prior to 1927 the lowest earnings reported were $3,719,187, for year ended July 31, 1924, and for the five-year period earnings averaged over $5,000,000 annually.

The company last year produced 37,844 cars and trucks and 6,819 tractors, a total of 44,663 units. This compared with 100,614 cars and trucks and 6,140 tractors, or a total of 106,754 units in 1926, the record production year. Production in the three preceding years, ending July 31, was 75,359 in 1925, 83,592 in 1924, and 73,723 in 1923. While 1927 output dropped 58 per cent. from 1926, dollar volume of sales including other income declined slightly less than 50 per cent., to $27,820,549 from $54,254,619.

Loblaw Groceterias Open in Chicago

Loblaw Groceterias, Inc., opened nine new stores in Chicago June 1st. Two a month will be opened until a total of 25 has been reached.

Loblaw Groceterias, Ltd., owns 51 per cent of the stock of the New York subsidiary, which operates a number of groceterias in Buffalo and nearby.

STERLING COAL PROFIT IS LOWER

Mild Winter Reduces Trade of Retail End of Mine Business

Net profit of the Sterling Coal Company and subsidiaries for the year ended March 31st last, was $62,426, as compared with $97,752 the previous year. Interest on the outstanding bonds amounting to $50,315 and one dividend of 1 per cent. amounting to $25,000 were paid during the year.

Current assets, as disclosed by the balance sheet, were reduced from $916,186 to $850,260. Investments in subsidiary companies were $296,053.

Current liabilities were up from $459,241 to $487,231. Capital stock outstanding was $2,500,000 and surplus totalled $388,515.

Owing to the unsettled condition in the coal business the directors did not purchase the additional acreage for the Allied Mine mentioned in last year's report as being under negotiation, says President C. B. McNaught.

"The business of the Conger Lehigh Coal Company was adversely affected by the extremely mild winter," Mr. McNaught continues. "Branch coal yards are now being operated in Guelph, Kitchener, Oshawa, St. Catharines and Brantford, and since April this year in Peterboro and Belleville. A readjustment of the Conger business is being worked out to meet changing conditions. A fuel department has been added which should develop considerable business, particularly with former coal customers. A further change is the development of gasoline service stations either in connection with present coal yards or on suitable sites served with railroad sidings in order to handle gasoline by tank car shipments. Your officers are very hopeful regarding the outcome of this expansion of the business.

"The consolidated balance sheet requires very little comment. A change has been made in our bond investments, your directors deeming it advisable to diversify the investments made to take advantage of the present-day markets. The general contingent reserve now stands at $16,000, and the general reserve against properties and investments at $69,952 after adjusting the reserve against investments in subsidiary companies. The figures indicate that your company has maintained a strong liquid position."

Newman, Playfair Bring Varnish Firms Together

Holland Varnish Co., Ltd., Montreal, has been sold to International Paint & Compositions, Ltd., an English company operating factories in sixteen countries, including Canada. John C. Newman, president of General Steel Wares, James Playfair and Frank M. Ross will be associated with the English company on the directorate of the Canadian subsidiaries, which now include three companies. Norman Holland, who founded the Holland Varnish Co., will join the board of the new company.

For the time being, at least, the Holland Varnish Co. will continue to operate as a separate entity.

FRESH FISH
RESTIGOUCHE SALMON
LIVE LOBSTERS
GALLAGHER & COMPANY
107 King St. East, Toronto
Delivery all parts of city
ELgin 9260-9269

EXECUTIVE
AVAILABLE

Here is a well-known executive with varied, thorough and practical experience as office man, salesman, sales manager, branch manager, and at present General Sales Manager for large Canadian manufacturer, in charge of Wholesale, Retail and Export sales aggregating four millions.

He is a Canadian, age 34, in excellent health, married, has unimpeachable references and business record. He possesses an intimate knowledge of almost the entire Dominion, is capable of creative thought and constructive ideas, and has the sales instinct, vision and energy to build up a business.

For sound reasons he desires to change his present business. He wants this new connection to be his last, and will consider any enterprise that is likely to be of economic importance during the next 20 years. Box 114, The Financial Post, Toronto.

Head Office Montreal

CUSTODY OF SECURITIES

The Agency of the Bank of Montreal in New York accepts the custody of securities and performs all routine services in connection with their care and safe-keeping. A similar service is given by the London and Paris Offices of the Bank.

BANK OF MONTREAL
Established 1817
Total Assets in excess of $830,000,000

Unceasing Attention

to the study of how best to make our large resources and complete world-wide organization serve each of our clients individually.

—Characterizes This Bank's Service

This Bank solicits Business Accounts.

THE BANK OF NOVA SCOTIA
Established 1832
Capital, $10,000,000. Reserves, $20,000,000.
Total Assets over $260,000,000.

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
TWENTY-SEVEN BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.
DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; S. E. Oscarson, Fargo, North Dakota; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
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British Columbia Power Corporation, Limited
will control
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This business is already one of the largest public utility enterprises in Canada. Its vast hydro-electric power resources, combined with a growing market for power, gas and its other services, assures its future development. We believe that the Shares now offered provide an excellent investment opportunity.

British Columbia Power Corporation, Limited
Class "A" Shares
Price: $60 per Share
With Bonus of One Class "B" Share with each Four Class "A" Shares

Fully descriptive circular upon request.
Orders may be telephoned or telegraphed at our expense.

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Wood, Gundy & Company
Limited

NEW ISSUE

10,000 shares
Trans-Canada Insurance Company
Fire, Automobile and Casualty Insurance

Extracts from the President's letter:

AUTHORIZED CAPITAL
10,000 shares Common Stock.

SELLING PRICE
$150. per share of which $100. is capital and $50. is premium or working capital.

PAYMENT
a) $50. per share cash payment of which $20. is capital and $30. premium.
b) $20. per share in two payments of ten dollars each with thirty days' notice at least thirty days apart.
c) It is anticipated that the above payments will be sufficient.

MANAGEMENT
P. J. Perrin, 25 years Insurance experience, the last ten years as general manager of the Mount Royal Assurance Co. from which company he has resigned April first, to assume his present duties.

DIRECTORS
A Board of 15 successful business men each of whom has made a substantial investment.

ISSUE
No promotion stock has been given, nor will be given to any individual, firm or corporation.

OPERATIONS
Licence obtained April 1st, 1928, from the Dominion Government and now operating throughout the country.

LEGALITY
All legal details in connection with the organization of the company and the present issue have been approved for the Company by Messrs. Cook & Magee, for the Bankers by Messrs. Geoffrion & Prud'homme.

BANKERS
Royal Bank of Canada.

DIRECTORS:
F. W. Clarke, Quebec
President, Gulf Pulp & Paper Company.
Vice-President, Anglo-Canadian Pulp & Paper Mills Limited.
Hon. L. A. David, K.C., Montreal
Provincial Secretary.
The Right Hon. Geo. P. Graham, P.C., Brockville, Ont.
Senator, Dominion of Canada.
Former Minister of Railways and Canals.
Director, National Life Insurance Company.
Charles B. Grier, Montreal
Investment Banker.
Chas. B. Howard, M.P., Sherbrooke
Vice-President, Sherbrooke and Stanstead Fire Insurance Co.
Director, Canadian Silk Products Limited.
Col. Jas. L. Regan, C.M.G., Montreal
General Manager, Canadian Wholesale Dry Goods Association.
Lt.-Col. W. C. Nicholson, D.S.O., M.C., Montreal
Advocate, Cook & Magee.
S. J. B. Rolland, Montreal
President, Rolland Paper Co. Limited.
Gordon S. Westgate, Montreal
President, Empire Trust Company.
President, Simpson Realties & Investments Co. Inc.
Vice-President, Canadian Silk Products Limited.
P. J. Perrin, Montreal
General Manager of the Company.
William B. Sheldon, Galt, Ont.
President, Sheldon Limited.
Manufacturers Heating & Ventilating Engines.
Brig.-Gen. Duff-Stewart, Vancouver
President, Clarke & Stewart Company, Stationers.
Armand Chaput, Montréal
Director of Banque Canadienne Nationale.
Director of General Trust of Canada.
Director of Administration and Trust.
Director of Charles Gurd, Limited.
Director of Montreal Exhibition Co., Limited.

OFFICERS
President - - - - - - - Gordon S. Westgate
Vice-President - - - - - - - Charles B. Grier
Secretary - - - - - - - Charles McCabe
25 years with Royal Insurance Co., Ltd.
General Manager - - - - - - - - P. J. Perrin
Ass't. General Manager - - - - Stuart Saver
formerly of the Globe & Rutgers Insurance Co.

Attorneys
Cook & Magee

GEOFFRION & CO.
Montreal - Ottawa

ERNEST SAVARD, Limited
Montreal - Quebec

LYALL REPORTS LARGER EARNINGS FOR FISCAL YEAR

Orders on Hand Assure Operations for Lengthy Period

From Our Own Correspondent

MONTREAL.—Net earnings of P. Lyall and Sons Construction Co., for the year ended March 31, 1928, after deduction of fixed charges, amounted to $318,292. This compares with $234,428 in the preceding year and with $264,291 in the year ended March 31, 1926.

Operations of the company were satisfactory during the year. In addition to a large carryover of orders from the preceding year, the company secured a large South American contract, as well as additional domestic orders, which will keep it busy for some time. The work at Welland progressed satisfactorily during the year and at the present rate will be completed sometime in 1929.

From the gross earnings of $318,292, several amounts were appropriated as follows: bond interest, $24,416; proferred dividends, $91,000; bond redemption, $84,700; and bad debts written off, $84,907, leaving a balance of $33,268 to be carried forward to profit and loss. The surplus now amounts to $546,920.

Bank Loans Higher

The balance sheet shows several changes. Property account is written up from $1,370,557 to $1,587,394; work in progress from $507,017 to $801,368. Goodwill is lower by $84,700. Deposits also declined from $700,000 to $600,000.

Among liabilities bank loans show an increase from $650,000 to $765,968. Accounts payable are also up from $153,424 to $233,430. Other items among the liabilities show little change.

The president, in his report, said that the refinancing of the company, as ratified by the shareholders, will shortly go into effect, thereby retiring all outstanding bonds and leaving the company in a stronger position.

Common Outlook Good

Within the past two or three weeks the stock of this company has come in for attention on account of reported higher net earnings. On the basis of the statement just issued, the surplus available for the common was equal to 1.90 per cent. a share. Before the deduction of $84,907 written off for bad debts, which may be considered in the nature of an extraordinary charge, the showing was equal to 6.75 per cent. on the common.

The position of the common stock for the current year is considerably better. The retirement of the bonds will do away with fixed interest charges and sinking fund requirements, while the creation of no par stock will enable the company to pay a fair-sized dividend on the common.

LIVE STOCK SALES HEAVIER THIS YEAR

Price Trend Upward and Good Demand at All Yards

Total sales of cattle at Canadian yards during April showed a somewhat heavier volume when compared with those of a year ago. The market as a whole, according to the Dominion Live Stock Branch, had an upward tendency, despite the prevailing belief on the part of buyers, that prices were too high. The ordinary quality of the general run in the face of price advances, indicates the underlying strength to demand.

Reports received by the department indicate that supplies of store and fat cattle on representative markets in the Old Country continue to run below the average of the previous three years. As well, the receipts of dairy stock are also comparatively moderate in volume. On the other hand, shipments of live stock from Ireland to Great Britain to the middle of April show as considerably heavier than during the corresponding period of 1927 as regards fat cattle.

So far, most of the export demand for Canadian livestock comes from the United States. American buyers are still going through the country picking up quality supplies and shipments across the line are consistently good.

Reports from the individual Canadian stockyards indicate a good demand. Toronto sales during April were about 5,000 more than a year ago, so that the shortage to date was reduced to approximately 4,000 head. Montreal sales were normal. Winnipeg sold approximately 10,900 cattle, an amount about even with the same month of last year. Calgary, Edmonton, Prince Albert and Moose Jaw sales did not show any untoward changes.

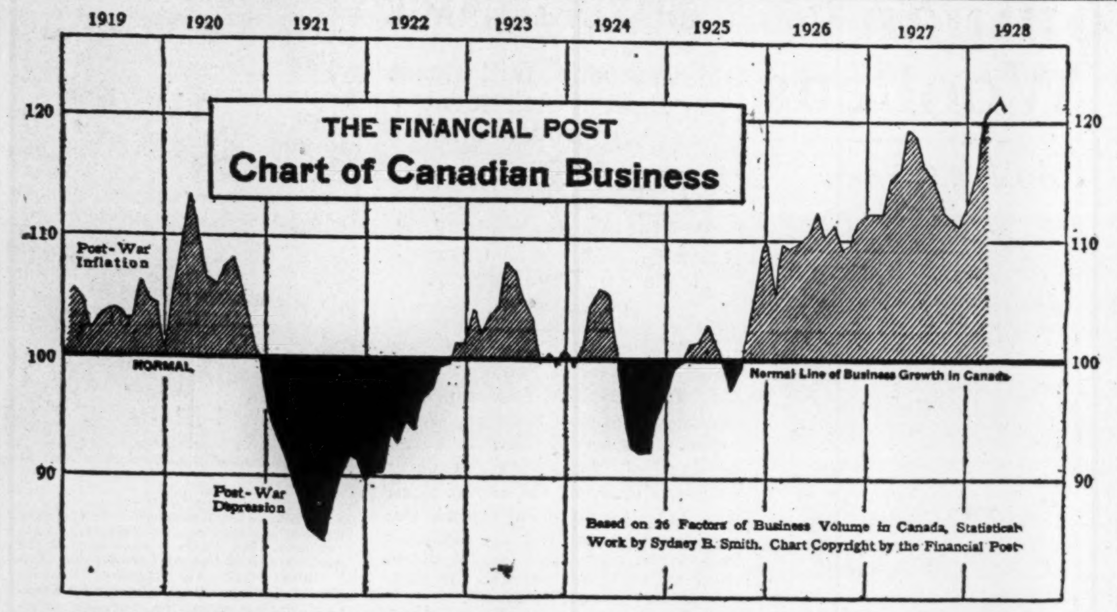
Algoma Steel Soon Starts Erection New Benzol Plant

Work on the construction of the new benzol plant of the Algoma Steel Corporation at Sault Ste. Marie will commence about June 1, according to information received from the general offices of the company, and the plant is expected to be complete in five months. The cost of construction will be about $250,000. Benzol which is used as a motor fuel to "sweeten" gasoline is made from a by-product of the coke ovens and is always in demand by the big oil companies.

Beet Outlook Good

Officials of the Canadian Sugar Factories are encouraged by the Southern Alberta beet outlook this spring. Some 6,000 acres of beets have been seeded and by the close of the present campaign an extra thousand acres will have been planted. The seeding weather has been ideal, the ground working up in fine condition and early beets germinating.

Business Level in Canada Still High



The high level of the volume of general business during the last three months is clearly shown in the chart above. After several months of rapid expansion the volume of business after adjustment for seasonal tendencies attained a high point in February. Since that time Canadian business has been maintained at a fairly stable level. The slight recession in April was probably explained by the peculiar circumstance by which five Sundays occurred in a thirty day month. Active conditions in the construction, iron and steel, and automobile industries practically counterbalanced a recession in some of the other lines.

At Head of Lakes Construction Booms

New Elevators Go Up in Fort William and Port Arthur, and Paper Mill Also is Going Ahead

Faith in the future of the Western crops is clearly shown in the construction activity in Port Arthur and Fort William to-day. Two new elevators and an annex, representing an outlay of approximately $6,000,000, are in course of erection.

On completion, these will increase the total storage capacity at the head of the lakes by ten million bushels.

Present storage capacity is 73,050,000 bushels—the largest concentrated storage unit in the world. An analysis of this shows 15 elevators in Port Arthur with a capacity of 39,700,000 bushels, and 18 elevators in Fort William capable of storing 33,350,000 bushels of grain.

Port Arthur claims the greater part of the new elevator work in progress. The Saskatchewan Wheat Pool are building a new 7,000,000 bushel plant, and a large addition is being made to the Reliance Grain's present elevator.

In Fort William work is proceeding on the new Searle elevator. Completion of the new 105 room community hotel is eagerly waited by some 800 local shareholders. The new P. Burns modern creamery plant, which will be in operation shortly, will provide a ready market for all the cream the local farmer can offer. Up until now he has had to govern the size of his milk herds in accordance with the prevailing demand for their products.

Great Lakes Paper Busy

The Great Lakes Pulp and Paper Co. are embarking on what is expected to be one of the largest construction programmes in Canada. Their new paper machine will be operating shortly, and the mill, running on a 24 hour shift, will keep a large number of men employed.

All these factors are making a prosperous community which by now has forgotten the bitterness of the Grain Exchange which never came into being. For eleven years a fully equipped trading pit stood idle while its sponsors hoped for the establishment of sample trading on its floor. For various reasons this hope was never realized, and the Grain Exchange building is an exchange in name only.

Joins H. R. Bain & Co.

DEE M. ROBERTS, formerly a partner in Roberts, Cameron & Co., appointed general manager of H. R. Bain & Co.

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Calgary, Alberta, Canada
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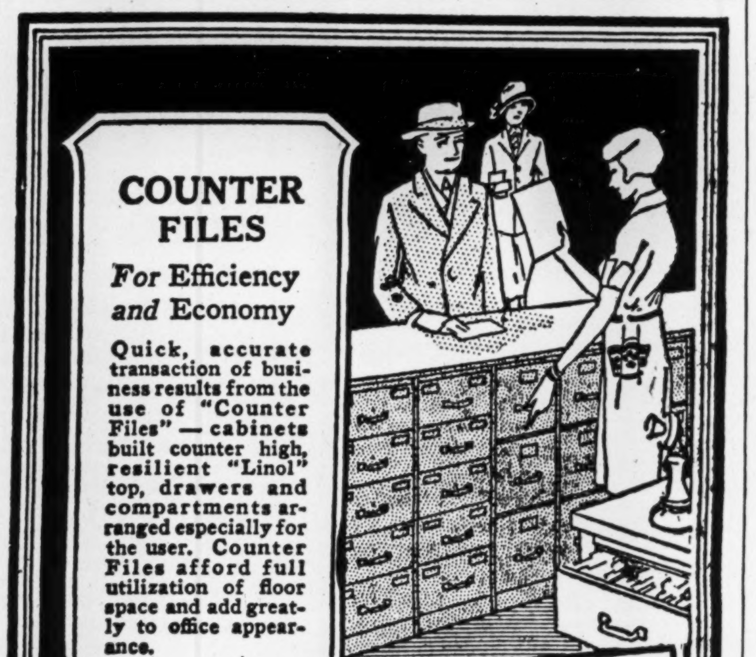

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Canadian Industrial Alcohol Co., Limited
MONTREAL CORBYVILLE
TORONTO WINNIPEG VANCOUVER

SHAWINIGAN GETS VALUABLE LEASES ON QUEBEC RIVER

St. Maurice Power Sites Give Company Large Additional Supply

From Our Own Correspondent

MONTREAL.—Rights for developing a series of rapids on the St. Maurice River have been secured by the Shawinigan Water and Power Company. On a conservative basis it is estimated that an additional possible supply of power for that company reaching over 600,000 horse power will be available from this water site.

The Financial Post exclusively indicated some weeks ago that Shawinigan was likely to get these leases.

This power site was put up for option by the Quebec government with an upset price of $25,000. Shawinigan was the only bidder, the contract being secured at $5 above that figure.

According to the contract the company acquires the rights of the provincial government on all the power that may be developed in the St. Maurice River extending from the Manouane River downwards to the prolongation across the river of the dividing line between the townships of Dumoulin and Vallieres. Investigation has shown that there are three principal sites of constructional dams and it is expected that Shawinigan will adopt such sites for the construction of the power plant. Consequently, sufficient water lots and adequate riparian land lots will be granted beside the general rights of flooding.

The government requires that the three concentrations recommended by the Quebec Streams Commission shall be carried out unless further surveys and investigations made by the lessee show to the satisfaction of the Department of Lands and Forests that extensions, alterations or improvements to the recommended sites or additional sites are economical, feasible and desirable in the public interest.

600,000 h.p. Capacity

According to the provincial hydro service the capacity of the three principal falls is as follows: Blanc Rapids, 172,000; Secours Rapids, 85,000; Allard Rapids, 50,000 horse power. This would mean a total of 307,000 horse power apart from other developments, and these figures are said to be very conservative, as the possible development is expected to reach over 600,000 horse power when necessary.

The conditions of the lease as agreed to by the government and the company include a period of seventy-five years within which rights are to be valid.

The company must pay an annual royalty of $1 per horse power developed.

The lessee is under the obligation to make additional surveys at his own cost, before the 1st of January, 1929, and shall have all plans and specifications, as well as a constructive programme, finished by January 1st, 1930.

Operating by 1930

The lessee is to commence actual construction operations, within the section of the river granted, not later than the 1st of July, 1930, and shall be under obligation to have developed 100,000 horse power by the 1st of July, 1933, expending in this undertaking at least $10,000,000.

The lessee shall start actual construction operations on the final concentration found to be feasible and desirable, within eight years from the date when the construction work was commenced at the first concentration, expending on all developments, including transmission lines at least $25,000,000.

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233 ST. JAMES STREET
MONTREAL

New Issue

$1,200,000

Consolidated Sand and Gravel Limited

(Incorporated under Ontario Companies Act)

7% Cumulative Convertible Redeemable Preference Shares

The preference shares are fully paid and non-assessable, entitling the holder to preferential cumulative cash dividends at the rate of 7% per annum payable quarterly, on the 15th days of February, May, August and November in each year at any branch of the companies' bankers in Canada, (the first dividend to be paid on the 15th day of August, 1928) and are preferred as to assets over other class shares, and to the extent of 110% of par value thereof and accrued dividend in case of voluntary liquidation. The preference shares are redeemable, by the company, in whole or in part by purchase in the open market at the lowest available price not exceeding the redemption price, or on any dividend date upon thirty days' previous notice at $110 per share and accrued dividend, and are convertible at the holder's option into common shares at any time on the basis of 2½ common shares without nominal or par value for each one preference share unless previously called for redemption. In the event of preference shares being called for redemption the conversion privilege may be exercised at any time up to ten days prior to date fixed for redemption. An annual sinking fund is provided for the retirement of this issue of 20% of net earnings after providing for the depreciation, depletion, Income Taxes and dividends on preference shares.

TRANSFER AGENT: Chartered Trust and Executor Co., Toronto.
REGISTRAR: The Canadian Bank of Commerce, Toronto.

Capitalization

(upon completion of present financing)

	Authorized	Issued
7% Cumulative Convertible Redeemable Preference Shares (Par Value $100)	$1,200,000	$1,200,000
Common Shares (without nominal or par value)	100,000	70,000

30,000 Common Shares Reserved for Conversion of Preference Shares

Particulars of Issue

Purpose of Financing.—Upon completion of the present financing the Company will own and operate all the businesses and undertakings of the following companies either through ownership of the entire capital stock of the said companies or by direct ownership of all their business and undertakings:

1. Durham Stone and Sand Co. Ltd., Durham, Ontario.
2. Waterford Sand and Gravel Co. Ltd., Waterford, Ontario.
3. Superior Gravel Co. Ltd., Paris, Ontario.
4. Fuller Gravel Ltd., Fuller, Ontario.
5. Paris Sand and Gravel Co. Ltd., Paris, Ontario.

Nature and History of Business.—All of the above companies are now engaging successfully in a fundamental industry, the supplying of sand and gravel, (screened and crushed to size) to the railroads, (for ballast work) the building trades, and highway, bridge and other construction contractors. All are strategically situated with convenient and adequate railway facilities to serve their respective territories to maximum advantage and corresponding profits. Three of the companies have been operating for many years, the remaining two having been completed this year. All of the plants were located only after careful surveys and thorough tests which established the fact that the supplies of material required will last at present rate of production 1,060,000 tons per annum—an average of 40 years. The management prides itself on the judgment displayed in the selection, location and equipment of its various plants.

Assets.—As can be seen from the balance sheet the net tangible assets are equivalent to $133 for each $100 share of preference stock, or $5.62 for each common share outstanding after deducting the par value of the preference shares.

Business on Hand and Available.—The capacity of the company's five plants is 1,600,000 tons of stone and sand, and 15,000 tons of stone dust per annum. The earnings statement is based on 1,060,000 tons of stone and sand and 9,000 tons of stone dust. The management is of the opinion, from orders already booked for this season's shipments, that the output will increase relatively with general building and construction activity and road and railway ballast work. City of Toronto permits, exclusive of pavements and sewers for the first four months of 1928 were $7,402,921 and were $4,925,143 for 1927. Ontario contracts awarded in four months 1928—$50,282,200, and 1927—$40,227,200. The Province, Counties and Townships spent about $13,000,000 on roads in 1927 and this will at least be equalled this year.

Earnings.—The certificate of the Company's auditors, Messrs. Robertson, Robinson, Armstrong & McCannell indicates earnings for 1928 before providing for depreciation and depletion and Federal Income Tax, of $303,400. The management estimate the depreciation, depletion and Income Tax at $79,000, which deducted leaves [illegible] which is equivalent to nearly three times the annual dividends on the preference shares and after providing for the preference dividends is equivalent to about $2 per share on the 70,000 issued no par value common shares. While the earnings of two of the plants (not in operation last year) must necessarily be estimated for the purposes of this statement, it is interesting to know that the actual earnings of one of the companies for the five years ending March 31st, 1928, averaged [illegible], or more than the annual dividends on the preference shares of the new company. For the three years ending March 31st, 1928, the earnings from this plant alone averaged $105,133.21 while for last year its earnings were $138,590.13. Copies of the auditors' certificate may be seen at the offices of the undersigned.

Voting Rights and Dividend Safeguards.—The holders of preference shares shall not vote unless and until the dividends on said preference shares are eight quarterly payments in arrears when they shall be entitled to elect a majority of the Board of Directors.

No dividend shall be paid on the common shares of the company unless:

1. All cumulative arrears of dividends on the preference shares, if any, are paid or provided for.
2. There has been set aside in the sinking fund such amount as the auditors of the company have certified as requisite out of the net profits for the purchase or redemption of preference shares.
3. The company has a surplus of undivided profits over and above the dividends so proposed to be paid sufficient to provide for dividends on preference shares then outstanding for a full period of two years.

Management—This consolidation of existing companies represents the efforts of the active executives in the Durham and Waterford companies to purchase control of a business of which they have a complete knowledge and experience with a view to expanding it. Having every confidence in its possibilities, they are continuing to direct its operations on the new and larger scale now possible. Messrs. John E. Russell, President; G. G. Robinson, General Manager; F. W. Thompson, Ass't.-Manager; W. L. Newmarch, Director, are all well and favorably known to the trades to which this business caters, and possess the ability and experience requisite for their respective positions in the new company.

Balance Sheet

(As at May 15th, 1928, after giving effect to proposed financing)

ASSETS		
CASH ON HAND		$111,000.00
CAPITAL STOCK OF SUBSIDIARIES TAKEN AT THE VALUE OF		
(a) Gravel and Sand ready for the Market, and Stores and Supplies of Subsidiaries	$ 20,119.00	
(b) Lands, Buildings, Plant, Equipment and Sidings; and Gravel and Sand Deposits of Subsidiaries as appraised by the Canadian Appraisal Co. Limited as per tentative figures reported May 15, 1928	1,462,616.07	1,482,735.07
		$1,593,735.07

LIABILITIES	
CAPITAL STOCK:	
7% Cumulative Convertible Redeemable Preference Shares (par $100.00) Authorized and Issued	$1,200,000.00
Common Stock, No Par Value—Authorized 100,000 shares Issued 70,000 shares	70,000.00
CAPITAL SURPLUS	323,735.07
	[illegible]

AUDITORS' CERTIFICATE

The above Balance Sheet, in our opinion, correctly represents the position of Consolidated Sand and Gravel Limited after giving effect to the proposed financing and to the values of Lands, Buildings, Plant, Equipment, etc. as appraised by the Canadian Appraisal Co. Limited in their report of May 15, 1928, and after providing for organization expenses estimated at $10,000.00.

ROBERTSON, ROBINSON, ARMSTRONG & McCANNELL, Chartered Accountants.

These shares are offered when, as and if issued and received by us and subject to the approval of all proceedings by our Solicitors, Messrs. Rowell, Reid, Wright and McMillan, Toronto.

PRICE: $100 per share and accrued dividend together with a bonus of one share of no Par Value Common with each share of Preference.

STEWART, SCULLY COMPANY, LIMITED
Investment Bankers
Royal Bank Building, Toronto 2
ELgin 8333

MARA & McCARTHY
Members
Toronto Stock Exchange. Montreal Curb Market
New York Curb Market (Associate)
297 Bay Street, TORONTO 2
ADelaide 9151

WATT AND WATT
Members
Toronto Stock Exchange. Montreal Curb Market
New York Curb Market (Associate)
6 Jordan Street, TORONTO 2
ADelaide 3222

It is expected that application will be made to list the Preference and Common Shares on the Toronto Stock Exchange.

Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing
Foreign Issues Quoted

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Your New "Straw"

May be selected now from a most complete range of hats at Simpson's, featuring smartly colored bands.
Straws priced from $2 to $6.
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Pedalinos priced at $4.50.
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The Store for Men—Street Floor
The Robert Simpson Company Limited

"Well dressed" is a misnomer unless the shoes are correct.
[Get Surpass]
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BUILDING CONSTRUCTION
MONTREAL TORONTO
Established in Canada in 1909

CANADIAN PACIFIC RAILWAY CO.
Analyzed in Our Monthly Review
Copy furnished upon request
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244 Bay Street - Toronto 2
MEMBERS
Toronto Stock Exchange
Montreal Stock Exchange
Montreal Curb Market
New York Curb (Assoc.)
Branches:
KITCHENER GUELPH WINDSOR

We take pleasure in announcing that
J. J. HENDERSON
has become associated with us as of this date.
Gardiner, Wardrop & Co.
MEMBERS TORONTO STOCK EXCHANGE
Ground Floor, 44 King St. West, Toronto
May 30, 1928. Elgin 2151-2

RUSSELL MOTOR COMMON DIVIDEND MAY BE INCREASED

Acme Screw Has Big Order for Ford Shock Absorbers

WILLYS BUSINESS UP

Canada Cycle & Motor Profits Continue Large

The Canadian Acme Screw & Gear Co. has an order to manufacture for Ford Motor of Canada, around half a million dollars worth of Houdaille shock absorbers for use on the new Ford car.

For the first time in several years, it would seem as though common shareholders of the Russell Motor Car Co. have a reasonable chance of realizing their hopes of increased dividends upon their holdings. For while the 4 per cent. dividend now being paid represents a fair proportion of the earnings of the Canada Cycle & Motor Co. and returns upon investments, expectations of a share of profits of the Canadian Acme Screw & Gear Co., and the Willys-Overland Limited have not yet materialized; and it is upon returns from these two latter companies that Russell common shareholders pin their faith for an early increase in disbursements to them.

Canada Cycle The Backbone

As things have stood for several years, the $1,350,000 capital stock of the Canada Cycle & Motor, all owned by the Russell Motor, has provided Russell preferred stockholders comfortably with their annual 7 per cents. And in the past five years earnings of this fine subsidiary have been so satisfactory as to warrant modest disbursements to common shareholders of Russell, 1¼ per cent. being paid in 1922, 3 per cent. in 1926, and 4 per cent. in 1927. With the exception of a few thousand dollars earned on investment of Russell funds in bonds and preferred shares, this Russell dividend is the direct result of 8 per cent. paid by its healthy subsidiary, Canada Cycle & Motor, and not the result of sharing of profits of the other two subsidiaries, Canadian Acme Screw & Gear, owned by Russell, and the Willys-Overland Limited, about one-third owned by the Russell Motor. And it is upon sharing of these last two companies' earnings that Russell Motor common shareholders base their hopes for further dividends.

The situation as regards Canadian Acme Screw & Gear Co. is quite hopeful; for not only has the current year's business been good, but outlook for the latter half of 1928 is the best in years. It will be remembered that up to June of last year, earnings of Acme had been such as to create the belief that a dividend was imminent but unfortunately the loss of the large Ford order for Ruxstell Axles resulted in a heavy operating loss in the latter half of the year, with the resut that no dividends were forthcoming.

Now comes the announcement that a very substantial order for Houdaille shock absorbers for Fords has been placed with Acme; and this business if successfully carried forward should result in the whole year's business recording a nice profit. Acme has been quietly working upon patterns for this shock absorber for the past couple of months, adapting present plants and installing new machinery. The sample shock absorbers have been completed; and presently quantity production is expected to be under way.

An Acme Dividend

This means that Russell Motor common shareholders should stand to benefit materially; for shares of Acme held by Russell amount to about the same in value as the $800,000 common stock of Russell outstanding; and any disbursements on Acme shares means virtually a similar percentage additional available for Russell common shares. Even a modest 4 per cent. on Acme shares would make possible the doubling of the present dividend on Russell Common.

There is also the question of distribution of profits from Willys-Overland. As yet there has been none; when and if there shall be such dividends seems largely in the hands of the parent company at Toledo. For the American company owns about 70 per cent. of the stock of the Canadian enterprise; and in addition owns all the outstanding shares of the Willys-Overland Sales Co., which latter company has the exclusive selling rights in Canada for the company's products.

This actually means that the American company through its control of the Canadian operating company and its ownership of the sales company, has virtually the pricing and selling of the product, as well as control over the general policies entering into its manufacture. This probably inures to the benefit of the Canadian company, as the parent company through its large organization and thorough examination of the whole automobile field in the United States and Canada, is in an excellent position to supply the precise kind of automobiles that are in greatest demand; and to manufacture them at the least possible cost, as mass production for the whole of the continent makes possible lower manufacturing costs due to standardization of parts, and the relatively lower cost of patterns spread over the whole field of American consumption.

It is understood that production at the Willys-Overland plant of practically all types of their cars has been considerably greater this year to date; and should this rate of increase continue, shareholders would be justified in entertaining some dividend hopes. Such a dividend would be divided between Russell and the parent Willys-Overland in the United States, making possible the much-longed-for increase in Russell common dividend.

Construct Longest Flume

Construction of one of the longest water flumes in the world (25 miles in length) is contemplated by logging interests of the Cowichan, Vancouver Island district. Surveys have been in progress for some months and from an engineering standpoint the project is regarded as feasible. The only question now is whether a sufficient amount of timber could be conveyed over the flume to justify the large expenditure necessary.

New Merger Joins Forbes Company and Can. Woollens

Dominion Woollens and Worsteds is New Name

DEAL CONSTRUCTIVE

Consolidation Needs Approval of Canadian Woollen Shareholders, Who Fare Well

From Our Own Correspondent

MONTREAL.—Canadian Woollens and the R. Forbes Company, of Hespeler, Ontario, are to merge as soon as the deal is ratified by the Canadian Woollens' shareholders. The merger has the appearance of being one of the more constructive industrial transactions of recent years.

The new company will be on a sound financial and earning power basis which will permit the regular payment of interest and preferred dividend requirements. Moreover, in the capital structure of the new company, which is to be known as the Dominion Woollens and Worsteds, there will be room for the acquisition of further woollen companies. Under present tariffs, the capacities of the woollen mills has been in excess of the demand. The individual companies have thus been hard put to it to make ends meet. Hence, eventually other companies may find it profitable to link up with the Dominion Woollens and Worsteds and so obtain the benefits of lower operating costs through such an amalgamation.

Shareholders Fare Well

The merger is the result of many months work on the part of interests associated with J. W. McConnell, of Montreal. The shareholders of the Canadian Woollens fare well in the deal. The common stockholders, are to exchange their holdings, share for share, for common stock of no par value in the new company. The preferred shareholders of Canadian Woollens obtain one new preferred, plus one new common share in lieu of the dividend arrears.

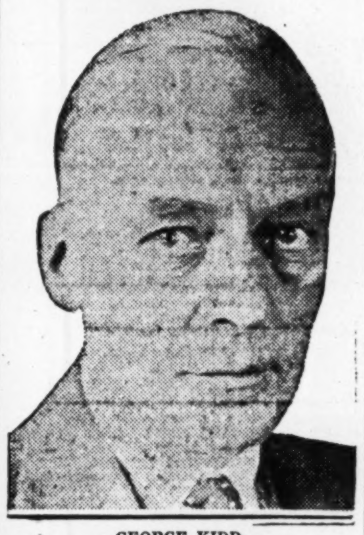
The preferred dividends of Canadian Woollens are now about 41 per cent. in arrears. However, despite the fact that the preferred shareholders forego their claims to some $41 per share, the Canadian Woollens preferred would be wise in accepting the offer which is being made to them, for the new preferred gives every indication of paying dividends regularly. Under present conditions, there would be no hope for dividends, let alone arrears, on the present stock.

The new merger company will acquire all the issued stock of the R. Forbes Company and all the assets of Canadian Woollens, together with the shares of the Milton Spinners, the Ontonabee Mills and the Orillia Worsted Company, subsidiaries of Canadian Woollens.

Some New Financing

The merger will involve some financing for the Forbes interests are taking in payment for their stock both cash and some of the securities of the new company. The new financing, it is understood, will take the form of a bond issue.

Heads B.C. Power



GEORGE KIDD,
President of British Columbia Power Corporation, formed to acquire B. C. Electric Railway and allied enterprises.

Letter Outlines Merger

In a letter to his shareholders outlining the suggested merger, A. O. Dawson, president of Canadian Woollens, sums up the financial position of the new merger company in part as follows:

"Preferred shareholders of the new company will have voting rights share for share with common shareholders. In case of winding up, preferred shares shall have a preference as to capital, plus accrued dividends, but without right to further participation in surplus assets.

"The companies mentioned above have been subjected to a recent appraisal made by the Canadian Appraisal Co. and an independent audit by Messrs. P. S. Ross & Sons, who have certified the net earnings, after proper provision for depreciation and all charges, for the year 1927, to be as follows:

Net earnings	$358,624
Deducting new bond int. of	135,000
There remains available for pref. stock	223,624
New pref. stk. div.	90,000
Available for new com. shs. or other purpose	133,624

Equal to $2.25 on new common shares.

Will Effect Economies

"These earnings do not take into account expected savings through the elimination of duplication of styles, selling expense, office expense and general overhead. The sum total of these items should be substantial.

"The combined net assets of the new company, after giving effect to the proposed new financing, will amount to approximately $6,050,000 and the consummation of the proposed transaction will place an asset value, after deducting the bonds to be outstanding, on the new preferred shares of more than $240 per share.

"The net current assets of the new company will be approximately $1,750,000, which compares with your present company's net liquid position of approximately $675,000—an improvement in working capital of over $1,000,000.

SAWYER HOLDERS ASKED TO RATIFY SHARE EXCHANGE

Old Company Will Cease to Exist if Allotment Approved

APPOINT MANAGER

J. P. Macrae Succeeds T. B. Christie, Who Will Concentrate on Development of Exports

J. P. Macrae has been appointed general manager of Sawyer-Massey, Ltd. T. B. Christie, former general manager, becomes manager of the export department. Mr. Christie, a number of years ago, made a thorough study of the export situation, but under the old régime was not able to carry out his plans. It is believed that there can be developed an excellent market for Sawyer-Massey road machinery.

A special meeting of shareholders of Sawyer-Massey Co., Ltd., the old company, has been called for June 19 at Hamilton when a proposed allotment of shares in the new company will be considered. It will be recalled that the old company sold out to the new a year ago for 16,500 common shares of no-par value out of a total of 50,000 issued shares. The proposal is, as has been suggested, that each preferred share in the old company be exchanged for one share of new common and that each ten shares of common in the old company be exchanged for one common share in the new.

Sawyer-Massey Company has made rapid progress under the new control. The threshing machine has been improved and a contract has been entered into with Massey-Harris Co. whereby the latter company market the threshing machine in foreign countries.

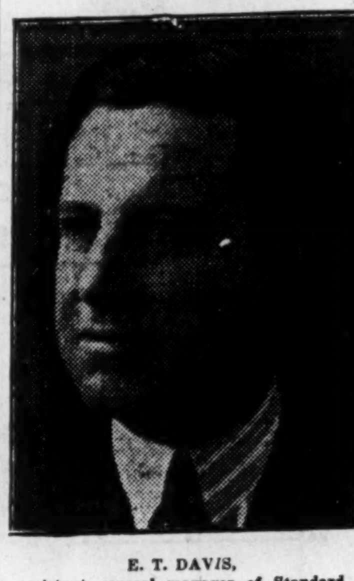
Is an Engineer

Mr. Macrae is an engineer with experience in manufacturing and transportation. T. A. Russell is president of the new company and G. R. Cottrelle of the Canadian Bank of Commerce is vice-president. Other directors are R. H. Mulch, H. H. Champ, Chester J. Harris and J. F. Lash.

The new company assumed control in 1927. Dividends on the preferred stock of the old company are in arrears from 1914.

Preferred and common shares of the old company are listed on the Toronto stock exchange, but the new company's shares are not listed, and probably will not be listed for some time. There have been few trades in the old company's preferred, and none in the common, in the last year.

Now is Director



E. T. DAVIS,
assistant general manager of Standard Paving, has been elected a director of his company. Mr. Davis is chairman of the Asphalt Association of Canada, and vice-president of the Road Builders' Association of Ontario. He has been with Standard Paving since the company originated more than eighteen years ago.

Gatineau Power Making Headway at Paugan Falls

From Our Own Correspondent

MONTREAL.—Good progress is being made at the Paugan Falls, Que., plant of the Gatineau Power Co. The second of the big 34,000 h.p. generators was turned over last week-end and within a week or so will be delivering power.

This plant is to be equipped with an initial installation of five of these generators, which will give a maximum production of electrical energy of 170,000 h.p.

The Paugan Falls plant will supply the Ontario Hydro-Electric Power Commission, under contract, with 160,000 h.p. for a period of 30 years.

'Peg Stock Listed

Winnipeg Electric Co., 150,000 common shares without nominal or par value, will be listed on the Montreal Stock Exchange on official notice of issuance in exchange for 150,000 common shares of $100 par value.

MONTREAL the Power City
Unlimited power at low rates has been one of the contributing factors in making Montreal the great industrial centre it is today.
Only a few years ago, approximately 2,500 industrial plants were being served by this Company, while today it serves over 2,700 plants and more than 196,000 householders. And there is a surplus of energy of more than 200,000 h.p.
Montreal Light, Heat & Power
CONSOLIDATED

Lower Rates on Trans-Atlantic Calls
Recent reductions in Long Distance rates to cities of Great Britain and the continent have resulted in a steady growth of Trans-Atlantic telephoning.
Canadian business men are alive to the value of overseas service. The message and the answer on the spot—an invaluable aid to Trans-Atlantic business.
THE BELL TELEPHONE CO. OF CANADA

Business Volume Off Slightly in April

But Recession May Have Been Du[e to] Freak Situation in Calendar — Business [L]evel is High

By SYDNEY B. SMITH

The high level of Canadian general business of the preceding two months was nearly maintained in April, according to the index prepared for The Financial Post. It will be recalled that the physical volume was rapidly expanded in January and February, more than counterbalancing the moderate recession of the latter part of 1927. During the last three months business has been operated at the highest level of the post-war period. Even after adjustment for the long-term growth, the present level is higher than in May and June of last year, which was the only time in the post-war period when the volume of business was anywhere near the present high level.

Probably Due to Calendar

Although the index showed a decline of one point in April compared with the preceding month, it appears that the apparent recession was due mainly to the difference in number of working days. The circumstances were peculiar this year in that March out of 31 days had only four Sundays, while April out of 30 days had five Sundays. Usual differences in the length of the month are adjusted incidentally in connection with seasonal tendencies. In this way, however, it is impossible to guard against all discrepancies in our present calendar. Absolute comparability would call for placing the data on a daily average basis, a refinement which would involve considerable computation. The introduction of the Chatsworth Calendar with a year of 13 months of four weeks each would solve the difficulty in this regard, and would simplify the work of the accountant and statistician the world over. In comparing the volume of April with that of March, the ascendancy of March over April in having an excess of two working days more than usual should be kept in mind. This handicap did not prevent the marked expansion in construction during April when the contracts awarded were in excess of $56,300,000, which was the largest amount on record except in May, 1926. The April total was swelled by a contract for an office building in Montreal valued at $10,000,000, but the contemplated work is at a record level, indicating that the industry, which is of a specially strategic nature, will continue active during the present season.

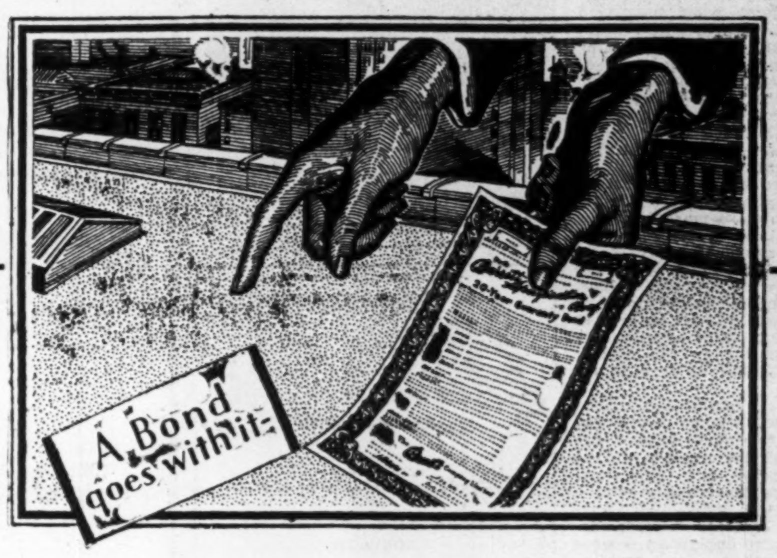
Iron and Steel High

The primary iron and steel industry operated at a high level in April, the output being in somewhat lesser volume than in the preceding month. The automobile industry was one of the bright spots in the record of April production, a considerable increase being shown even after seasonal adjustment. Sales during present season have been heavy, and the capacity operation of a large manufacturer will doubtless stimulate distribution in the low price field.

Flour mills and sugar refineries have recently shown improvement, and the distribution of commodities is in large volume. Wholesale and retail establishments added to their staffs according to the report from employers at the first of May. Carloadings in April showed that the movement of freight was in greater volume, although the delay in the opening of navigation retarded the shipment of grain to the head of the lakes. The mining section was less productive than in March, the output of coal showing a marked decline. If one may measure the trend of metal production from the volume of exports and the receipts at the Royal Mint in the case of gold and silver, the output in April was less than in the preceding month.

Employment is Good Index

Aside from the index of general business, if one were dependent on one factor to measure the trend of business enterprise in Canada, the choice would probably fall upon the index of industrial employment as reported by employers. Returns are received from practically all plants where more than 15 employees are ordinarily engaged giving the numbers of workers on the pay list at the first of the month. Before the end of the same month the results are compiled giving an excellent indication by industries, by principal cities and by economic areas, of the trend of industrial activity. The results are unaffected by the length of the month to which the particular index relates. Experience has shown a close relationship between the physical volume of business and the trend of employment. With the greatly extended rise of mechanical power during the past few years, the volume of output has increased faster than the per capita employment. It has been shown that the efficiency of production is 128 per cent. in recent years as compared with 97 per cent. in 1920. It is evident that the psychological attitude of the worker having regard to the business conditions of the period also affects his efficiency. Notwithstanding these considerations the index of employment with its ample subdivisions furnishes valuable raw material for the executive or speculator wishing to keep informed as to the trend of business movements. Even after correction for seasonal tendencies the index of employment on the first of May showed an encouraging gain over April 1, indicating that producers are adding to their working staffs notwithstanding that the output in April was slightly less than in March.



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But don't think that there is anything mysterious about these records. Building a good roof is not very different from building a bridge. Correctly designed—the Barrett Specification! Proved materials — Barrett Specification Pitch and Felt. Careful workmanship — a Barrett Inspector checks up on every detail of construction. It's all very simple. And yet — strangely enough — not everybody can build a roof to last 40 years without repairs.

Interested in that kind of roof? Then write us for full information.

*The Barrett Company Limited also offers a Specification Type "A" Roof which is bonded for 10 years. This type of roof is adaptable to a certain class of buildings. The same high-grade materials are used, the only difference being in the quantities.

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MONTREAL TORONTO WINNIPEG VANCOUVER

Barrett Specification Roofs

New Issue

Burns & Co. Limited

First Mortgage Sinking Fund 5½% Twenty-Year Bonds Series "A"

Maturity: June 1, 1948

Price: 99½ and accrued interest, to yield more than 5.50%.

6% Cumulative Preferred Shares

-With Common Stock Bonus and Warrants-

Price: 100 and accrued dividend

Each Preferred Share will carry a bonus of ¼ of one share of fully paid Common Stock and the right to purchase ¼ of one share of fully paid Common Stock at $30 per share. Fractional shares of bonus Common Stock will be adjusted at the rate of $20 per share.

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News of Investment Markets

ABITIBI POWER MAKES FURTHER STOCK OFFERING

Will Use Proceeds for Retirement of Old Indebtedness

From Our Own Correspondent

MONTREAL.—Retirement of certain funded indebtedness and preferred stocks of subsidiaries preliminary to the issuance of mortgage bonds to refund all other funded indebtedness, is being accomplished by Abitibi Power and Paper Co. through an additional offering this week of $10,000,000, 6 per cent. cumulative preferred stock. This issue is being handled by a Canadian and American syndicate headed by The National City Co.

Abitibi Power now controls and operates six distinct units engaged in the manufacture of newsprint, paper and associated products. This group constitutes one of the largest producers of newsprint paper in the world, with an annual capacity of 650,000 tons and capable of expansion to 1,000,000 tons a year from present timber and water power resources.

Details of the issue follow:

$10,000,000
Abitibi Power & Paper Company
6% Cumulative Preferred Stock

Company: Manufacturers of newsprint, paper and allied products through following units: Abitibi Power and Paper Co.; Spanish River Pulp and Paper Mills; Fort William Power Co.; Manitoba Paper Co.; St. Anne Paper Co.; Murray Bay Paper Co.

Earnings: Combined earnings of Abitibi, Spanish River and Fort William companies for their respective 1927 fiscal years, amounted to $6,949,699. After deducting various interest charges, etc., there remained $5,350,587 applicable to the 6 per cent. cumulative preferred shares, equivalent to more than 2½ times annual dividend requirements. The foregoing statement only represents operations of three of the constituent companies. Manitoba and St. Anne units have recently been completed and are in full operation, and the Murray Bay unit is now ready for operation.

Assets and Equity: Pro forma consolidated balance sheet as at December 31, 1927, with certain adjustments to give effect to this financing, etc., shows net tangible assets, after deducting all liabilities including funded debt and all prior securities, amounting to more than $100,000,000, as compared with $34,976,4000, par value, of 6 per cent. cumulative preferred stock.

Listing: This stock is at present listed on the New York, Montreal and Toronto stock exchanges. Application will be made to list this additional stock on the foregoing exchanges.

Capital:
(Pro forma, consolidated basis, as of December 31, 1927)

Funded debt	$42,906,481
7% cumulative pfd. stock (Authorized $1,000,000)	1,000,000
6% cumulative pfd. stock (Including this issue—Authorized $50,000,000)	34,976,400
Common stock without par value (Authorized 1,500,000 shares)	986,787 (shares)

Offer: At $102 per share by The National City Co.; Wood, Gundy & Co.; Royal Securities Corp.; Peabody, Houghteling & Co.; and Peabody, Smith & Co., Inc.

I. Miller & Son Stock Issue Offered in Canada

From Our Own Correspondent

MONTREAL. — Canadian participation in a new issue of $2,500,000, 6½ per cent., cumulative, convertible preferred stock of I. Miller and Sons, Inc., was offered this week by Johnston and Ward. George H. Burr and Co. headed the American syndicate. The issue was oversubscribed.

I. Miller and Sons has been in business in the United States for some thirty-two years, and in that time has built up a national reputation for its women's high grade shoes.

Particulars of the issue follow:

$2,500,000
I. Miller & Sons,, Inc.
6½% Cum. Convert. Preferred Stock

Capital:
(Upon completion of present financing)

	Authorized	Outstanding
Cum. pfd. stock .... (Par $100)	$5,000,000	$2,500,000
Common stock (shares) (No par value)	250,000	x145,000

x37,500 reserved for conversion of preferred; 12,500 reserved for issue to holders of the former $100 common stock; 5,000 shares presently to be issued to employees.

Business: Manufacturers of women's high grade shoes. Has plant at Long Island City; 90 retail stores; and exclusive agents in 135 different cities.

Earnings: Net earnings after deducting all charges except interest on indebtedness presently to be discharged (averaging $93.214 per annum) and after federal income taxes, amounted to $652,719 in 1925; $412,204 in 1926; and $520,516 in 1927.

Assets: Net current assets are equal to $117 per share and net assets to over $191 per share on preferred stock.

Purpose of Issue: Expansion of distribution facilities; redemption of present outstanding stock; retirement of balance of first mortgage bonds, and retirement of bank loans.

Common Stock Dividend: Management has announced its intention of placing common on annual dividend basis of $2 a share.

Management: There will be no change.

Conversion: Up to and including June 1, 1932, at the rate of 2½ shares of common for each preferred.

Listing: Application will be made to list on New York Curb Market.

Offer: Johnston & Ward and George H. Burr & Co. at 108¼ per share and accrued interest.

Temiscouata Electric Corp. Mortgage Bonds Offered

From Our Own Correspondent

MONTREAL.—An offering of $100,000, 5½ per cent., 5 year first mortgage bonds of the Temiscouata Electric Corporation, is being made this week by Le Pret Municipal, Ltée., of Quebec City. This company has a number of franchises to serve some seven municipalities in the County of Temiscouata.

Details of the issue follow:

$100,000
Electric Corporation of Temiscouata
5½ per cent. First Mortgage Bonds
Dated May 1, 1928 — Due May 1, 1933

Capital—	Authorized	Issued
Common shares	$ 49,000	$ 49,000
First mtge. bonds	125,000	100,000

Company.—Distributes electric power in the municipalities of St. Eloi, St. Paul de le Croix, St. Clement, St. Cyprien and St. Jean de Dieu.

Security.—Secured by a first closed mortgage on all the present and future assets.

Administration.—Active management of the company is under the direction of engineers and experts of La Cie d'Enterprises Publiques, Ltee.

Offer.—Le Pret Municipal,, Ltée., at 99 and accrued interest, to yield approximately 5.70 per cent.

Manages New Branch

DAVID VAN PRAAGH,
who has been appointed manager of the St. Catharines office of Harley, Milner & Company, members of the Toronto Stock Exchange.

SAND AND GRAVEL PREFERRED SHARES ARE NOW OFFERED

Consolidation Will Supply Most of Requirements of the Province

Consolidated Sand and Gravel Limited offering of preferred shares, of which preliminary announcement was made last week, was well received when the public offering was made this week.

As previously outlined, this company is the result of the merging of the five largest sand and gravel companies in the province of Ontario; and the new company will be able to supply more than four-fifths of the total requirements of the building and construction trades in the province.

Particulars of the same are as follows:

$1,200,000
Consolidated Sand and Gravel Limited.
7 per cent. Cumulative Convertible Redeemable Preference Shares
Par Value $100 per Share

Capital—	Authorized	Issued
7 per cent. cum. preferred stock	$1,200,000	$1,200,000
Com. shares, n.p.v.	100,000 shs.	70,000 shs.

Company.—Consolidation of Durham Stone and Sand Co., Waterford Sand & Gravel Co., Superior Gravel Co., Fuller Gravel Limited, and Paris Sand and Gravel Co.

Includes two modern plants recently completed and three companies operating successfully for many years.

Assets.—Net tangible assets are valued at $113 for each share of preference stock. Forty-year supply of raw material in sight.

Earnings.—Estimated for 1928 at $224,400 or about three times preferred dividend requirements, after depreciation and all charges.

Offer.—At $100 per share and accrued dividend, each share carrying a bonus of one share common stock, through Stewart, Scully Company, Ltd., Mara & McCarthy, and Watt and Watt, of Toronto.

ARENA-ATWATER STOCK ON MARKET

Company Will Establish Automobile Centre in Montreal

From Our Own Correspondent

MONTREAL.—Stowell and Company are making a public offering of 55,000 shares n.p.v., of the Arena-Atwater Corporation. This company is acquiring and proposes developing a valuable piece of property in the uptown district of Montreal. Present intentions are to construct a building to be known as Motor Industries Building; a 400-car garage and service buildings; two filling stations; and four apartment house units to comprise approximately 330 apartments. The development, in fact, will constitute a motor industries centre for Montreal.

Further particulars of this issue are subjoined:

55,000 Shares
Arena-Atwater Corporation
No Par Value Common Stock

Capital—	Authorized	Issued
Common stock, n.p.v.	100,000	80,000

Purpose of Issue.—25,000 shares are being used on account of purchase of properties and contract for buildings and equipment—the balance (this issue) will provide funds to complete purchase of properties, additional construction costs, working capital, etc.

Corporation.—Will construct a number of buildings designed to cater to the automobile trade; four apartment house units; and other buildings.

Security.—Valuation of corporation's properties and assets, when completely developed, will total $6,380,571. The additional capital necessary to finance development is being supplied by a bond issue and mortgages totalling $3,500,000. The equity back of the present issue of stock, therefore, is $86 a share.

Earnings.—Gross earnings are estimated at $744,870, less operating cost, bond and mortgage interest estimated at $341,460. This will leave net earnings before depreciation and income tax of $403,410, or equal to about $5.04 a share of common stock.

Management.—Arrangements have been made for a capable management.

Listing.—Application will be made to list on Montreal Curb Market.

Offer.—Stowell and Co., at $25 a share.

This Week's Bond Sales

Nova Scotia Issue

All offers for the Province of Nova Scotia issue of $10,550,000, 4 per cent. debentures, were rejected.

Manitoba Drainage District

Richardson & Sons, Winnipeg, were awarded an issue of $184,000, 4½ per cent. 30-year bonds of Manitoba Drainage District, on a bid of 100.137, which is equal to a cost basis of 4.49 per cent. The bids were:

Richardson and Sons	100.137
Wood, Gundy & Co.	96.40
Royal Securities Corp.	96.30
Can. Bank of Commerce	94.05

APARTMENT ISSUE IS LARGEST YET

Chateau-Drummond Merger in Montreal Forms Largest Real Estate Company

From Our Own Correspondent

MONTREAL.—The amalgamation of the Chateau, the Drummond and the Drummond Court apartments here brings into being the largest real estate company in the Dominion. The merger of the properties has resulted in the sale of a $4,000,000 bond issue which is being offered by a syndicate headed by the Royal Securities Corporation.

The original bonds on the component properties of the Montreal Apartments, which formerly owned only the Chateau, are being redeemed with the proceeds of the present issue. The original bonds on the three apartments bore interest at a rate one per cent. higher than the present issue. Hence the amalgamation lowers the fixed charges on the properties materially. The sinking fund of the present issue calls for the half yearly redemption of half of one per cent. of the issue.

An Individual's Obligation

A feature of the present bond issue is the fact that the interest and sinking fund requirements of the issue are also a personal obligation of the owner of the company, namely, Hon. P. R. DuTremblay.

The particulars of the offering are as follows:

$4,000,000
Montreal Apartments, Limited
5½% First (Closed) Mortgage, 20-year Sinking Fund Bonds

Capitalization:	Authorized	Outstand.
5½% 1st mtge. bonds	(Closed)	$4,000,000
7% gen. mtge. bonds (Due 1938)	$615,500	615,000
Common stock, n.p.v.	15,000 shs.	15,000 shs.

The Company: Owns three large Montreal apartment houses, the Chateau, the Drummond and the Drummond Court, the largest and best apartments in Montreal.

Security: A first mortgage on all three properties. All covenants of the trust deed are the personal obligation of the owner, Hon. P. R. DuTremblay.

Purpose of Issue: To retire $3,621,000 in bonds on the individual properties which bore interest at 6½ per cent.

Insurance: The buildings are insured for more than the bond issue.

Value as Assets: Appraised at $6,920,000.

Earnings: Available in 1927 for bond interest and depreciation were $382,691 as against bond interest requirements of $220,000 on this issue. Larger earnings are anticipated this year.

Offered: May, 1927, by an investment house syndicate headed by Royal Securities at 97 to yield over 5¾ per cent.

Tenders and By-laws

June 4.—Parish of Saint Jean Baptiste de Nicolet, P.Q.—$27,000, 5%, serial bonds. H. R. Dufresne, sec.-treas.

June 4.—Kitchener—$201,605, 4½%, bonds. W. W. Foot, treas.

June 5.—Nicolet, Que.—$27,000, 5%, serial bonds, maturing 1929 to 1955. H. R. Dufresne, sec.-treas.

June 5.—School Commission of Hull, P.Q.— $27,000, 5% debentures. J. Prevost, sec.-treas.

June 12.—Municipality of Messines, P.Q.— $14,000, 5½%, serial debentures. J. H. Latourelle, sec.-treas.

July 3.—Ville Marie, Que.—$10,000, 5½%, 20-year serial bonds. J. Grenier, sec.-treas.

June 11.—St. Edouard de Fabre, Que.— $9,000, 5%, 10-year serial bonds. J. A. A. Labbe, sec.-treas.

June 5.—Jonquiere, Que. — $48,00, 5% 40-year serial bonds. A. La Berge, sec.-treas.

June 9.—St. Gabriel de Brandon, Que.— $17,000, 5%, 25-year serial bonds. P. Lavellee, sec.-treas.

June 5.—York County, Ont.—$100,000 5%, 20-year serial bonds. D. J. Macdonald, treas.

SASKATCHEWAN
Authorizations Granted by the Local Government Board
From May 12th to May 19th, 1928.

Schools—Moose Mountain, No. 162, $4,500; Thaxtod, No. 4752, $4,800; Hagen, No. 1651, $3,000; St. Henry H. Co., S. D. No. 5, $16,000; Oliver, No. 1749, $4,700; Opal No. 2552, $2,000; Ponse, No. 712, $5,000; Kolfield, R. T. Co., $3,000; Mitchellton, R. T., $1,500; Phippen, R. T. Co., $1,500; City of Yorkton, $16,000.

Debentures Reported Sold

Snipe Lake, No. 1096, $2,400, 10-yrs., 5½%, Regina P. S. Sinking Fund; Bryant, No. 3505, $2,500, 10-yrs., 5½%, Regina P. S. Sinking Fund; North View, No. 4529, $4,000, 15-yrs., 5½%, Regina P. S. Sinking Fund; McAllister, No. 621, $4,500, 15-yrs., 5½%, C. M. Lindquist, Star City; Naicam, No. 1999, $9,500, 5⅝%, 20-yrs., Waterman Waterbury, Regina; Stelcam, No. 3599, $3,500, 10-yrs., 5⅝%, Waterman Waterbury, Regina; Martin Dale, No. 3847, $1,500, 10-yrs., 5⅝%, Waterman Waterbury, Regina; Castlereagh, No. 4727, $3,500, 15-yrs., 6%, Waterman Waterbury, Regina; Abbey, R. T. Co., $1,500, 4-yrs., 5½%, Indian Head Sinking Fund.

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BOND INVESTORS HAVE NO CAUSE FOR DISCONTENT

Yields from High Grade Bonds Much Above Common Stocks

From Our Own Correspondent

Montreal.—Extensive refunding of existing bonds bearing high coupon rates by the issuing of new securities bearing relatively low rates of interest, has caused some investors to seek employment for their money in securities of inferior grade and of less mature market position. Desire for high returns is too often allowed to overshadow prudent consideration of real investment worth; and while money is plentiful and general conditions good, the usual test under which inferior securities are apparent as such—their inability to be converted readily into cash—is to some extent ineffective.

Investors really have little cause for discontent, says the National City Company bulletin. Yields from high grade bonds are still substantial—noticeably so even when compared with those obtainable from only moderately sound common stocks. There are certain excellent securities which give a high return on the basis of their current market prices; these prices—owing to lack of knowledge on the part of the investing public or from other causes that have no actual bearing on the soundness of the investment—being lower than they would be if the character of the protection behind the security were properly understood. History will merely repeat itself if those investors who purchase sound securities when they have money available are, over a period of years, substantially better off than those who have tried to outguess the market trend or have taken unwarranted risks.

Good Bonds Undervalued

Judged from a purely income basis, good bonds are at present undervalued or other classes of securities are apparently over-valued at current market levels. A competent authority in the United States recently made a comparison of yields of certain "gilt edged" bonds and leading issues of dividend-paying common stocks. The bonds selected are described as "almost riskless investments," and the basis of comparison is the relation of cost to yield, from 1900 to the present time. The cost of the stocks has fluctuated between 55 per cent. and 91 per cent. of the bond prices with an average of 72 per cent. The comparison undoubtedly shows how high stock prices really are at this time. At present they are 91 per cent. of bond prices — the highest level ever reached. In 1902 they were 87 per cent.; in 1909 they were 89 per cent.; and in 1919 they were 87 per cent.

Generally speaking, high grade bonds give an attractive yield to-day. If this seems borne out by the comparison made with proprietary stocks, it is equally true in relation to bonds of inferior grade many of which are to-day selling on substantially the same basis as thoroughly proven investments.

ONTARIO WINE CO. ISSUES PREF. STOCK

Large Expansion Program Will Greatly Increase Earnings

To provide funds for the further expansion of its business and complete the consolidation of the two companies concerned, the Ontario Wine Co., Ltd., is offering through N. E. Darrah & Co., Toronto, an issue of $250,000 7 per cent. cumulative preferred shares.

This company was recently incorporated for the purpose of acquiring the land, buildings, stock and trade of the Ontario Wine Co. and the Dr. Kilborn Medicine Co., both of New Toronto. The Dr. Kilborn Co. was established in 1908 and manufactures drugs, proprietary medicines, etc.; and the Ontario Wine Co. was established in 1912 and manufactures various types of wines, fountain fruits and extracts.

$250,000
Ontario Wine Company Limited
7% Cumulative Redeemable Preferred Shares
(Par value $100 per share)

Capital—	Authorized	Issued
7% Cumulative preferred	$250,000	$250,000
Com. stock n.p.v.	25,000 shares	25,000 shares

Company — Incorporated to acquire all assets and business of Ontario Wine Co., and Dr. Kilborn Medicine Co.

Assets—Combined net assets, land, buildings and equipment, etc., after depreciation, $67,710, and net current assets, $53,975.

Earnings—On increased capacity of plant estimated at $75,000 per annum net or more than four times preferred dividend requirements.

Offer—At $100 with bonus of 3 shares of common for each five of preferred, by N. E. Darrah & Co. of Toronto.

New Issues

BURNS & CO., LIMITED

BONDS

First Mortgage Sinking Fund 5½% Twenty Year Bonds Series "A"

To be dated June 1, 1928 — *To mature June 1, 1948*

PRICE: 99.50 and accrued interest, to yield over 5.50%

SHARES

6% Cumulative Preferred Shares (With Common Stock Bonus and Warrants)

PRICE: 100 and accrued dividend, to yield 6%

Descriptive circulars of both issues on request

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Burns & Co. Limited

FIRST MORTGAGE S.F. 5½% 20-YEAR BONDS
Price: 99.50 and accrued interest, to yield over 5.50%.

6% CUMULATIVE PREFERRED SHARES (With common stock bonus and warrants)
Price: 100 and accrued dividend, to yield 6%.

This company has acquired the famous Calgary business founded by Mr. P. Burns in 1890. It controls 6 packing houses, 17 wholesale fruit depots, 92 chain meat and provision stores, a large number of creameries and cheese factories, ice cream and milk distribution plants and other properties. Total assets are placed at $15,723,077. Average annual earnings for the last four years were $991,588. Full particulars on request.

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Abitibi Power & Paper Company, Limited
6% Cumulative Preferred Stock
Dividends payable Jan. 20, April 20, July 20, Oct. 20

The Abitibi Company controls and operates six distinct units. These are—
Abitibi Power & Paper Company, Limited
Fort William Power Company, Limited
Ste. Anne Paper Company, Limited
Spanish River Pulp and Paper Mills, Limited
Manitoba Paper Company, Limited
Murray Bay Paper Company, Limited
these properties represent one of the soundest groups engaged in the manufacture of newsprint paper.

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Net tangible Assets, after deducting all liabilities, including funded debt and all prior securities, amount to more than $100,000,000 as against the $34,976,400 par value of the 6% Cumulative Preferred stock.

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WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Saskatchewan Schools	May	Various	...	....	$32,900	.....	....
Duncan B.C.	May	B. C. Bond Corp.	5%	19-yr.	13,000	99.25	5.06
Tremblay Twp., Que.	May	La Corp. de Prets de Quebec	5%	30-serial	50,000	98.82	5.16
Revelstoke, B.C.	May	C. H. Burgess & Co.	5%	25-yr.	95,000	95.07	5.35
		Provincial					
Manitoba Drainage District	May	Richardson & Sons	4½%	1958	$184,000	100.137	4.49

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Midland Pacific Terminal	May	G. F. Tull and Ardern	6½%	1943	$300,000	100	6½%
Montreal Apartments	May	Royal Securities Corp., and Syndicate	5½%	1948	4,000,000	97	5¾%
Stock Issues—							
Consolidated Sand & Gravel	May	Stewart, Scully & Co.; Mara & McCarthy, Watt & Watt	7%	Pref.	$1,200,000	100	7%
		(With bonus of one share of no par common with each share of prefered)					
Abitibi Power & Paper	May	Wood, Gundy & Co., and Syndicate	6%	Pref.	10,000,000	102	...
Midland & Pacific Grain	May	G. F. Tull and Ardern	7%	Pref.	350,000	100	7%
		(With a bonus of 5 shares common with each 10 shares preferred)					
Wentworth Radio & Auto Supply	May	H. R. Bain & Co.	6½%	Pref.	300,000	...	...

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TORONTO, JUNE 1, 1928

ONE MORE STEP

NEWS dispatches carry this announcement interesting to investors:

"Ottawa, May 22.—'Tipster sheets' issued from the United States and circulated in Canada, advising Canadians to purchase so-called 'mystery stocks' have been banned from Canadian mail. Announcement to this effect was made in the House of Commons this afternoon by Hon. P. J. Veniot, Postmaster-General."

Thus Ottawa has done what The Financial Post suggested over a year ago should be done.

The next step should be to place a ban on tipster sheets and fake financial papers emanating from and mailed in Canada.

The Financial Post repeats what it said on this subject in January of the present year:

"Tipster sheets and the telephone are used by the bulk of fradulent stock salesmen to push their wares. By the tipster sheet they haunt out the suckers and by the telephone they follow up and put over the sale.

"A statute that would prevent the fraudulent use of the mails would stop these tipster sheets from circulating in Canada and go a long way in curbing the activities of the wild-cat promoter.

"There is much talk of what 1928 will bring forth in the way of Blue Sky legislation. Consideration by the Federal authorities at Ottawa, of a measure that will deny the use of the mails to crooked promoters will do much to help legitimate speculation in the Dominion and keep out the fraudulent promoter."

NEW-FANGLED FINANCE

NEW financial devices that are growing out of the present, somewhat furious period of financing and re-financing, provide the investor with new problems that cannot be studied in the light of his own experience.

The recent offering of stock in British Columbia Power Corporation may be cited as representative of the new idea in finance. Few previous securities issued have been sold in Canada that remotely resembled the Class "A" shares of this company, and while issues of similar securities have been offered in Britain and in the United States, these have not come generally to the attention of the Canadian investor. In the B. C. Power issue, the Class A shares were offered to the public. The ordinary investor would have been better able to appreciate an issue of bonds or of preferred stock. When he was offered a stock with no fixed dividend, but with a limited dividend, with no par value, with somewhat intricate provisions as to redemption price, etc., he may have been excused if he found the security somewhat difficult to grasp.

The chief disadvantage of preferred shares is that they limit the return of the investor to 6 per cent. or 7 per cent. if the company is successful. On the other hand if the company is unsuccessful or runs into a period of hard times the investor may get no return at all. While his dividends will continue to accumulate that is usually a theoretical advantage. If the company cannot earn its preferred dividends there is no advantage in continuing to pile up a contingent liability. The usual solution is to ask the preferred shareholders to accept common stock or some similar payment in lieu of accumulated dividends, or reorganization of the company is often necessary. A company cannot pay out more than it earns. And even if it does start to earn large profits after having gone through a period of lean years, working capital position will seldom stand the drain of paying out a large accumulation of back dividends.

Eliminating preferred stock and dividing the capital stock into two classes of what are really common shares is a device popular at the moment, and that may in time prove to be more satisfactory than the issue of preferred shares.

In the case of the British Columbia Power issue, the purchaser of the Class A shares gets priority of dividends with the assurance that if the company is unusually successful he will continue to get priority of dividends until his total payments amount to a figure that will then be returning him about 12 per cent. on his original investment. If the company is not as successful as is hoped he will get the major share of the profits but no contingent liability will be accumulated in the company's balance sheet to remain as a continuous menace to its financial position.

Voting power of the A shares in this instance is distinctly limited, in fact, practically eliminated. The voting power is handed to the holders of the Class B shares. While some B shares are being given as a bonus with the A stock, about 75 per cent. of these shares will apparently remain in the hands of those who might be called the promoters of the company. For these 750,000 B shares, the promoters, as far as one may analyze the position from the information published, pay for these shares in organization effort, transfer fees, the cost of marketing the A stock and other expenses incidental to the organization of the new company. It is not apparent that they have made a large cash investment beyond these amounts which, of course, are in themselves substantial, but which do not approach the investment of the general public who are buying the A shares.

Obviously if the company is very successful the B stockholders will make a great deal of money much more than the A stockholders.

The tendency to restrict voting power of stockholders, the practice of asking the public to put in the lion's share of the money in exchange for a security carrying limited possibilities of dividend return, and the capitalizing of companies to the limit, in the expectation that a period of good times will see them through, are not to be regarded as new developments in finance. The same things have been accomplished with different financial devices in the past. While theoretically wrong, they are often practically right and sound. The investor who approaches the new B. C. Power issue, for instance, will probably have one thought in his mind: "Am I likely to get a good ultimate return on my money?" He sees possibilities for future growth in the territory served by the company and he knows that the company is in the best of hands. So he buys the issue.

The testing time for the new-fangled devices in finance will come in a period of depression. It may be that they are better designed to carry companies and investors through periods of depression than are preferred stocks and heavy mortgages.

REPARATIONS AND CANADA

WHAT will Canada receive in German reparations under the Dawes scheme?

To date we have received $10,800,-992.91. Next year we should receive $5,981,250. This should be our annual payment for the duration of the scheme. The total annual payment by Germany is $625,000,000 which is subject to adjustment upwards and downwards by a prosperity index. The British Empire gets 22 per cent. of the total annual receipts. Canada gets 4.35 per cent. of the British receipts. That means just under $6,000,000 a year.

There is no fixed period during which Germany must make payments. The Dawes plan left this period unsettled. Some people feel though that the reparations payments will end with the loans specifically authorized by the plan. On this point, George P. Auld, in his recent book on the Dawes plan said:

"It seems plain that a guarantee has been given that there shall be no serious dispute regarding the terms of the reparation settlement during the twenty-five years ending in 1949. It seems equally plain that two definite obligations were created: An obligation upon Germany to pay the full annuities to the Agent General of the Allies (subject to suspension by the Transfer Committee) until 1949, unless downward revision can be obtained without serious dispute; and an obligation on the Allies to accept such payments in full satisfaction of all accruing claims on Germany for costs or charges arising out of the war, unless an upward revision can be obtained without serious dispute.

"Germany and the Allies have, in effect, undertaken that the annuities shall be stabilized until 1949, or if a final settlement is brought about before that date, that the fair equivalent of their total, in one form or another, shall be paid and received. That part of the annuities, however, which is derived from the railway and industrial bonds, has been separately guaranteed by the German government, in the instruments themselves, to run an additional fifteen years, i.e., to 1964, when the bonds will be fully retired by operation of sinking fund.

"It is therefore clear that, through the adoption of the Dawes Plan by the governments concerned, an annuity of $625,000,000 (plus or minus a prosperity adjustment) was guaranteed to run for twenty-five years, and an annuity of $240,000,000 a year was separately guaranteed to run for fifteen years longer. It seems scarcely within the bounds of possibility that any extension of these payments will ever be negotiated."

Let us assume Mr. Auld is right in his forecast. Canada will get its share of the larger payment for 25 years, and of a smaller payment for a shorter period. This would bring our total reparations receipts to approximately $175,000,000. The present value of this sum is considerably less.

Canada spent $2,000,000,000 on the war. Germany is certainly not paying our war costs.

UP TO NEWFOUNDLAND

THE British view of the proposed union of Canada and Newfoundland seems to be well expressed in The Statist, of London. It says:

"Such matters are indeed left entirely in these days to the discretion of the people most closely concerned. If Canada wished to become a republic it would be no part of British policy to endeavor to force her to remain as she is. If Newfoundland wished to join the Dominion there would equally be no interference by this country. Canada's desire to acquire Labrador would be gratified automatically by the conversion of Newfoundland into a Canadian province. Failing that, there are excellent commercial reasons for paying Newfoundland an adequate sum to relinquish her rights on the mainland. That seems to be not merely a possibility but a strong probability. Negotiations may be looked for with that end in view in the near future, whatever the results."

The Statist points out that Newfoundland has never made any advances looking to union with Canada. The overtures have always come from Canada. The Statist is right. It is doubtful if any large number of Newfoundlanders are anxious to join this country. It would be hard to convince them that there would be definite advantages to the Island Dominion in the move.

An authority who investigated conditions in all parts of the island stated several years ago that a million people could easily get a living there, or more than four times the present number. Farming has certainly not had a fair chance. The wealth of their fisheries has turned the thoughts of her people for over a century so largely to the sea that the land has been sadly neglected. Forest wealth, and possibilities in the way of minerals, should also be much more important factors in the island's development than they have yet been. The known iron ore deposits run to 3,500 million tons, while in a single area, timber surveyors have estimated a value of $625,000,000. And with a million and a quarter of undeveloped hydro-electric horsepower there are abundant opportunities for industrial operations on an economic scale.

With such resources, Newfoundland has all the opportunity it needs to become a prosperous and flourishing nation expanding in both population and wealth. Its union with Canada would not enable it more easily to get either people or money to develop its resources.

When Newfoundland starts making overtures to Canada, that time will be early enough to consider the union of the two Dominions.

A CASE FOR PUBLICITY

THE debate on the relations of the Bell Telephone Company and the Northern Electric Company has shown how desirable it is for large corporations to give the public as much information as possible about their earnings. There is no particular reason why the Northern Electric Company should not, each year, publish its profit and loss and balance sheet figures. The fact that the company has but few shareholders can not be overlooked, of course, but it would seem that this is offset by the fact that the company is considered, in the minds of the public and the members of parliament, as more or less a public company, not a family company. Publication of Northern Electric financial statements would effectively offset the charges that it is making enormous and unfair profits.

The proposal to require this company or any other company smilarly situated to make public, at hearings of the Board of Railway Commissioners, its figures of production costs and other matters of internal economy is, however, quite iniquitous.

GRAIN AND INVESTMENT

THE public financing of another grain company is announced, the third large elevator company in the ownership of which the Canadian public have a chance to share. It is part, of course, of the general tendency of the times for businesses which were built up by individuals and families to become publicly owned corporations. It means more than that in connection with the grain business. It is a reminder that the growing of grain is increasing in Western Canada, and is likely to go on increasing. A crop of four hundred million bushels of wheat can from now on be regarded as ordinary in the West, while it is only a few years back that two hundred million bushels was considered a satisfactory total. It will not be long before an annual average of five hundred million bushels will be looked for. Equipment for handling grain must increase with increasing crops. The grain business has grown, and must grow still more, so that it has outgrown the possibility of being owned by a small number of individuals. Public participation in the business is bound to increase.

At one time it was necessary for the railways to provide terminal elevators in order to insure accommodation for grain. The Canadian Pacific, the Canadian Northern, and the Grand Trunk Pacific, all built large terminal elevators, which they operated for a time and subsequently leased, finding that for successful operation a terminal elevator requires a line of country elevators, just as the service given in country elevators needs to be completed by a terminal. The railways did not go in for building country elevators, but about twenty-five years ago they found it difficult to persuade grain dealers to risk their capital in providing such facilities. To encourage such building the railways for a while attempted to give an elevator established at any point a monopoly of the business there, and refused to provide cars for farmers to load direct. That was the source of a lot of agitation and trouble that has long since been forgotten.

Some seventeen or eighteen years ago attempts were made to put upon the Dominion Government the responsibility for owning and operating all the terminal elevators. Both Laurier and Borden declined the responsibility, but a number of large elevators were established by the Dominion Government, which are still of some, although of decreasing importance, in the handling of the grain crop. The Dominion Government are not likely to have another call for a similar service, unless perhaps at Fort Churchill, when the Hudson Bay Railway is completed.

Increasing public interest and participation in ownership of grain securities will be welcomed by those who already hold such securities, as creating a broader market.

There is another angle from which these grain issues, and other recent Western industrial issues are of interest. They represent, not only an increasing investment of Eastern capital in Western Canada, but the entrusting of Eastern money to the control and management of business men resident in the West. The process indicates not only an increasing confidence in the business ability of such men, but it also shows a tendency the exact reverse of centralizing control in Montreal and Toronto, a fact which should give a good deal of satisfaction in the West.

HERBERT HOOVER'S ancestors were German. They came to the States 200 years ago, so Canada need not worry about a German menace on our borders if and when he becomes president.

POST-scripts

SOME time ago we reported a quarter page advertisement inserted by a New York department store in papers of that city advertising Prince Edward Island silver fox furs. Now we are glad to be able to report a large advertisement of another New York department store

B. ALTMAN & CO.

A Canadian Shoe

DESIGNED FOR TENNIS

Gentlemen will welcome a sports shoe to replace the unsightly but hitherto indispensable sneaker.

Moderately Priced, $7.50

MEN'S SHOES—SIXTH FLOOR

which features only one item and that one very prominently. The item is "A Canadian shoe designed for tennis."

Canadian shoes of the better quality find a good market in the United States. The advertisement referred to is reproduced here. If the manufacturer of these shoes cares to write us we will publish his name in this column. Unfortunately the advertisement did not refer to his trade mark or name.

WALL STREET JOURNAL publishes a column by a staff correspondent who visited the Woodbine races. It is one column of high tribute to racing as conducted in Canada.

He says: "My conclusion is that Toronto sees its racing more pleasantly and surrounded by a larger number of congenial friends than patrons at any of the American tracks. Nor have any of our private or amateur point-to-point meetings a more genuinely sporting atmosphere; nor is interest in the horses and the sport here confined to the clubhouse enclosure."

AN INSURER of Royalty, Sir Joseph Burn, K.B.E., F.I.A., F.S.I., general manager of the Prudential Assurance Company of London, England, and president of the Institute of Actuaries, recently spent a few days in Toronto, as part of a special itinerary across the North American Continent, including many cities of the United States. Sir Joseph carries with him photostatic copies of the famous penny-a-week policy on the life of H.R.H. the Duke of York, that will yield his heirs £7 2s. at death. In reply to the question "Have you any intention of going abroad?" the Duke has contrived a very clever answer. It is this:

"Not as a permanent resident."

A BULLISH market brings with it the usual string of rumors. Mergers, stock splits, increasing dividends. Other stories are bandied around until, no matter how far-fetched, one comes to believe in them.

Furthermore, the large number of new stock issues placed upon the market have invariably been followed by wild talk of an immediate rise, so-and-so has got control, etc.

The prize, however, goes to the man who inquired about the purchase of the stock in a holding company, formed two or three weeks ago, which he heard was going to split the capital stock, giving common shares to the preferred shareholders. If he had read the prospectus as published in The Financial Post and other papers, he would have seen that the preferred was offered with a bonus of common on the same basis as the "split" he mentioned.

WASHINGTON correspondent suggests that Pres. Coolidge had thick volume of Roget's thesaurus at hand when he wrote his message vetoing the McNary hokum bill. Richard V. Oulahan, in the New York Times, selects these phrases from Coolidge's message:

"Cruelly deceptive; tending to delude the farmer; fantastic promise of unworkable governmental price regulation; repugnant to the spirit of our institutions; its weaknesses and perils; its attempted price-fixing fallacy; impossible scheme; intolerable espionage; tax collection on a vast scale; ghastly futility of such attempts; folly of fiat prices; crudely camouflaged procedure; autocratic authority; vicious temptations; dangerous nullifications; would yield a subsidy for particular groups; consumption tax on the vital necessities of life.

"Difficult to conceive of a more flagrant case of the employment of all the coercive powers of the government for a small number of specially favored groups; no board would be unable to resist the pressure of political forces; bureaucratic tyranny of unprecedented proportions; constant danger of corruption; mismanagement and prodigious tax burdens; autocratic domination of our major industry; interable tyranny; swarms of inspectors and other regulator officers let loose throughout the land.

"Would place a premium on evasion and dishonesty; poison the well-springs of our national spirit; disrupt the settled channels of trade and commerce; wholesale profiteering at the expense of the farmer and consumer; a bewildering snarl, will devastate farm areas."

"Stop Me If You've Heard This One"

Not for many years had old Baxter been more than four or five miles from his native village, but having come into money, he decided to visit old friends in London and Manchester.

"Taxi, sir?" a driver bawled in his ear immediately he emerged from the London terminus.

Baxter shook his head.

After seeing London, he went on to Manchester. Again, as he left the station, a taxi pulled into the curb.

"Taxi, sir?" asked the driver.

"No, no, you idiot," snapped Baxter angrily. "I said 'no' in London. Now stop following me about."

German Reparations; What Canada Gets and Civilians' Status

Government Has Not Decided Yet if Individual Claimants Will be Granted Anything at All

The recent House of Commons debate on reparations proved to be a mine of information.

It has never been very clear to most Canadians just where this country stood in the matter of collecting anything from Germany to pay for our losses in the war. And many of those who know exactly what Canada was scheduled to receive and was receiving were under the impression that the money was being received by the Dominion government as a sort of trustee for those members of our civilian population who have suffered direct losses as a result of the war. Such losses might include injuries received in an air raid or submarine attack, the cost of private merchant vessels sunk by subs., and so on.

Somehow most people also confused the alien enemy property fund and the payments made from this fund to Canadians who owned property in Germany that had been sequestered by the Germans during the war, with reparations. In reality there is no real connection between the one and the other. This is clear, and most of the points in the reparations tangle are clear now, as a result of a debate that brought two such able debaters as W. G. Ernst, Conservative M.P. for a Nova Scotian constituency and Hon. Ferdinand Rinfret, secretary of state, into action. Other speakers entered into the discussion and there was even a division on the particular resolution that led to the debate, but these prove less interesting and informative than the facts about reparations that have been brought out and collected in a few pages of Hansard.

Beginning of Reparations

Germany accepted responsibility for the war. She signed the peace treaty of Versailles, which incorporated Germany's "mea culpa." Those whose memories go back ten years will recall many high-sounding promises by allied statesmen to make the loser pay the whole cost of the war. Such was impossible. And so the powers agreed to compromise; Germany was to pay in reparations to the Allies an amount sufficient to make compensation for the damage suffered by the civilian population of the allied countries. She was not going to be made to pay for shot and shell; for tanks and trenches; for rail and sea transport of troops; for Private Smith's $1.10 a day and Jean Poilu's few sous. Germany would be asked to pay only for loss to the civilian population.

With our wide wisdom after the facts, we see now how impossible it was either to fix such losses or to expect Germany to meet the large total involved. There is no need to trace all efforts of reparations commissions to fix the amount due from Germany. Finally the Dawes commission fixed the reparations at what Germany could pay and not at what it ought to pay. Germany has kept up with its Dawes plan payments.

Canada Gets $5,000,000 Yearly

We may skip over the amounts of the annual payments under this plan and the manner in which they are to be distributed among the different allied countries for we are discussing here Canada's position as regards reparations. It suffices to say that Canada has received as its share of the reparations plan approximately $11,000,000 and it will continue to receive $5,000,000 a year from Germany until the nations of the world get together and decide to reshuffle the pack and have a new deal all round.

Canada got the $11,000,000. It was rather widely expected in this country that the money would be at once paid out to the civilians of Canada who had made claims for losses suffered as a result of the war. There were several reasons why this was anticipated and a consideration of these reasons will lead us to the Friel report tabled in the House of Commons the other day after the government had indicated that it had no intention of making the report public.

Civilians May Not Get Money

The peace treaty, as we have seen, said that Germany would pay only for civilian losses. This did not mean that the civilians would get the money. It was up to each country to decide what it would do with its own payments. But the fact that the article of the peace treaty referring to reparations said that Germany would pay for losses sustained by civilians, certainly was calculated to make civilians who had suffered losses look forward to receiving something from the Canadian government when the Canadian government received something from Germany.

It is quite likely that just after the war when reparations were thought of, it was in the minds of successive political leaders that the money or part of it would be distributed among civilians. It is certainly on record that the Liberals wanted the civilians to receive something, while the Conservatives thought they had no better claim to the money than the people of Canada as a whole who had suffered severely as a result of the war and had been heavily taxed to meet its cost. Now the position is just about reversed. But that is politics and it is best to deal with this subject non-politically. The thought is only introduced to show that Ottawa itself has not had very clear ideas on the reparations question.

Appoint Civilian Commissioner

What strengthened the hopes of civilian sufferers was the appointment of a reparations commissioner to hear their claims. The government now declares that the appointment of a commissioner to hear claims in no sense obligated it to pay any claims that the commission considered fair and reasonable. That may be quite true; but the ordinary person does not think in legal technicalities; when he sees a commission appointed to examine claims and is asked to prepare his claims and present evidence concerning them, he expects that the result of proving his claim will be compensation in cash.

Sir Douglas Hazen was the first commissioner. No sooner did he get the job than he was given a promotion to a judgeship. Up he went on the bench and Hon. William Pugsley was given the job of scurrying around the country listening to folks who wanted to get some of Germany's money for the damage Germany had done to them. Mr. Pugsley's task was unfinished when his unfortunate demise made the appointment of another commissioner necessary. This commissioner, James Friel, K.C., completed the task. He gave the government a voluminous report. In the report he passed favorably upon 1,613 claims. He did not recommend them for payment; that was not his job. But he did indicate that these 1,613 claims in his opinion were fair and equitable. It was up to the government to pay them if it saw fit. The total amount represented by the claims passed was $4,250,000 and interest would add another $2,000,000 to these. The government has received over $11,-000,000 from Germany. If it wants to pay these claims it has the money with which to pay them, money received from Germany as payment for civilian losses suffered during the war.

Government is Still Indecisive

But no; the government is not so sure that those civilians who suffered direct losses, such as through the sinking of their fishing boats or damage to their health through being forced to spend a few nights or so in a lifeboat hurriedly lowered from the torpedoed Lusitania, were any more entitled to the reparations money than the rest of the people of Canada who had also suffered heavy monetary, nervous and physical losses as a result of the war. Obviously if the payments made by Germany went into the general revenues of the country they would serve to reduce the general taxes by that amount and the people as a whole would get back something of what they lost by the war. But if the money was paid out to individuals, these individuals would be paid for their war losses and the ordinary public would meet its own losses to that extent. It is obviously a nice point; perhaps the government had some considerable justification for wanting to think it over for a while.

Great Britain's Arbitrary Plan

Great Britain adopted a rather arbitrary stand on the matter, one that got rid of the problem without necessarily attempting to solve it. It voted a fixed sum to be paid out of its reparation receipts to civilian sufferers. It is said that they could have this much and no more and that it would be apportioned between them in as fair a manner as possible. The amount that Britain allotted to civilian sufferers was £5,000,000, a large sum but in itself, only about 11 per cent. of the total amount that Great Britain has already received from Germany. If Canada allotted to civilian sufferers a similar proportion of its reparations payments there would be available for them only about $1,200,000 in all, which would pay just about a dividend of about 20 cents on the dollar on their claims

(Continued on page 8)

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This is the Time for Conservatism in Investments

The buoyant stock market and the plenitude of money have brought in their wake many stock offerings that are based more upon hope and optimism than upon facts and records of past earnings.
It behooves those who have money to invest to remember this.
If you are doubtful as to the wisdom of purchasing securities that may be offered to you—consult us. We will endeavour to secure and to place all the available facts before you, and give you an unbiased opinion.

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J. STRATHEARN HAY, Member, Toronto Stock Exchange
HAMILTON LONDON KITCHENER WINDSOR

As Others See Us

Agrees No Bank Mergers Needed

St. Catharines Standard: The Financial Post says there are rumors of another merger of Canadian chartered banks. Such a merger would have to be approved by the minister of finance, but from the standpoint of solvency of Canadian banks, there is no reason for amalgamation. All are in strong position and another merger would bring strong public protest.

Foreign Immigration

Fort William Times-Journal: Commenting upon the recent discussion in the house of commons over immigration, the Financial Post makes the bold statement that "one reason our immigration work is a failure is because of loose talk about the 'menace' of the foreigner."

The fiction that none but the so-called Nordic races are fit and proper persons to be admitted to Canada is likely to do a great deal of harm.

The future Canadian citizenship is yet to be moulded. It is mere arrogance on our part to declare that the Canadian race shall conform to this, that or the other type, which we happen to fancy. We cannot even demand that the future race shall be British, as we know the British race to-day. Progress is only attained by change and provided that we maintain high moral standards and educate the newcomers to respect the principles of decent citizenship, the Canadian of A. D. 2000 should be a better man than the Briton of 1900.

To come down to concrete examples of citizenship, it is doubtful whether any more loyal demonstration of Canadianism could be found among British, Nordics, or what you will, than the demonstration staged by the new-Canadians of Fort William to celebrate the diamond jubilee of their adopted country. No one can argue that those people who paraded last Dominion Day have not within them the germs of a fine race of Canadians, whether they were Nordics, Alpines or Mediterraneans.

Canada Dry

Fredericton Mail: One of the arguments used against the system of government control of the liquor traffic by ardent prohibitionists is that it has increased the profit of the various brewing concerns. There may be some truth in this, but it is pretty well known that all Canadian breweries are not money makers. It will be recalled that one of the canvasses used against Mayor Méderic Martin in the recent Montreal civic election was that he permitted a brewery concern to use his picture on its beer bottles and that the company went to the wall and working men who had invested in it lost their money.

On the other hand, a company which manufactures a ginger ale known as "Canada Dry," a harmless but very palatable beverage appears to be flourishing, according to a recent issue of The Financial Post of Toronto.

Government control is now in vogue in seven of the nine provinces of Canada and it must be gratifying even to temperance reformers to note that in spite of keen competition from government stores, on one brand of ginger ale a profit of $600,000 has been made during the first quarter of the present

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TWELVE PER CENT. PER ANNUM
on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
TUESDAY, THE THIRD DAY OF JULY
next, to Shareholders of record at the close of business on the Fifteenth day of June.
By order of the Board.
WALTER F. WATKINS, Secretary.
Toronto, May 16th, 1928.

WE ANNOUNCE THE OPENING OF A
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Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

Business Situation Survey Reveals No Marked Change
Favorable Crop Outlook Has Good Influence on Trade
Tightening Money Rates Hold Down Stock Speculation
Automobile Industry Now Producing at High Capacity
Small-lot Buying Indicates Note of Cautiousness

WITH but few exceptions, the business situation remains unchanged. Considerable attention is now being given by business men and manufacturers to crop conditions in the West. To date reports from that area have been uniformly optimistic. While a few districts report a need of moisture, the situation is probably more promising than it was at the same time last year. Rain would be welcome, but there is still sufficient moisture in the sub-soil to carry the crop for a week or two.

Although it is too early to form an opinion on the crop outturn, expectations are that the buying of the rural communities will not show any diminishment this year. Grain and other farm product prices have held up well in the past few months and revenue received by the farmers was slightly higher than last year. Moreover, the carryover of grain from last year is now moving freely to the seaboard and large sums of money are being released daily, which quickly find their way into circulation.

Consumption Keeps Pace

In the eastern provinces, the basic industries are operating on a wide scale. Consumption is apparently keeping up with production. Many manufacturers of late, however, report that orders are once again being limited to meet current demands. Last year we heard considerable about hand-to-mouth buying, etc., but in recent months such talk has been limited.

A resumption of retail buying in small lots may be taken as an indication that distributors feel that a reaction is likely. Such an event is possible but the tendency to keep inventories at a low point limits the piling up of large stocks such as was experienced back in 1921.

Limit Speculation

The return of small-lot buying is attributable in a very large degree to the splurge of stock speculation on all Canadian markets. Large profits have been taken out of the stock markets and re-distributed in various ways, such as the building of houses, buying of furniture, motor cars, etc. The unsettled condition of the market lately has given cause for uneasiness, though conditions are such as to preclude any drastic "break" in the market.

Tightening of money rates and the raising of margins, however, is having a salutary effect on stock market speculations. Limited buying and the consolidating and closing out of accounts has slowed the upward movement so that quick turnovers are becoming few in number. While a downward swing in prices is likely, it will likely come about in a slow and orderly manner and will not have a depressing effect on business.

Production Still High

The productive capacity of industry as a whole is being well maintained. The textile industries have slowed down lately, due to increasing competition from foreign manufacturers. Much the same can be said about the lumber industry, although the decline in activity is due to lack of foreign orders. The newsprint industry continues to set up new records. The outlook here is not too promising, however, owing to unsettled conditions in the marketing of newsprint. The iron and steel groups are busier than they were last year.

The showing of the automobile industry for April is one of the most favorable signs seen in some time. When changes were effected in models last fall, it was generally recognized that production would be curtailed for a long period. Not only did this happen but the inability of the manufacturers to get production back on a level comparable with that before the change in models, gave rise to the belief that demand had fallen off.

Returns for the first quarter were unsatisfactory, but those for April indicate that the industry will soon be back on its previous high scale of production. During the month 24,240 cars were produced, marking an increase of 39 per cent. over the 17,478 cars produced in March and but slightly under the 24,611 units turned out in April last year.

For the four months ending April, 1928, cumulative production numbered 62,685 cars, having a sales value f.o.b. plant of $43,200,132. While this output was 23 per cent. less than the figures for the corresponding period of last year and the value was 15 per cent. lower, conditions generally, in the industry, were nevertheless much improved in April.

Indices Are Favorable

Other major industries are also well employed. A few are experiencing seasonal adjustments, while others are going ahead on extensive programs. Such indices as bank debits, production of pig iron and coke, building permits, etc., indicate that more activity prevails and that current conditions are at least as good as they were at the same time last year.

Distribution Maintained

Distribution of domestic products continues substantially above the record of last year. Car loadings, which are usually a good indice of the movement of goods into consumers' hands, were higher for the week ended May 19 last, as compared with the corresponding period last year. The movement of grain to overseas markets now appears to be in full swing, shipments during the week being nearly twice as heavy as those last year.

From the beginning of the year to May 19, 1,262,320 cars of revenue freight were loaded on Canadian lines. This compares with 1,210,572 and 1,119,467 in the same periods of 1927 and 1926, respectively. As compared with last year, grain and grain products, coke, pulp and paper, other forest products, ore, merchandise and miscellaneous freight show an increase, while a smaller movement of livestock, coal, lumber and pulpwood is reported.

Agricultural Survey

Wheat Acreage Larger
More Moisture Needed
Dairy Exports Slowing Up
Good Wool Demand
Livestock Markets Firm

WHEAT acreage in the Prairie Provinces this year will likely be about 10 per cent. greater than that of last year. All the provinces report more extensive operations, largely owing to the amount of land summer-fallowed and newly broken last fall. In some areas seeding will be carried on until the end of this week, provided there is additional rainfall. In that event the earlier estimate of acreage will have to be revised.

Generally speaking, the new crop has been put into the ground under most favorable conditions. Coarse grains so far are only about 50 per cent. seeded, but will be completed shortly. Germination has been good to date, wheat now being from three to six inches above ground and healthy in all areas.

Nearing Critical Period

The outcome of this year's crop will be largely decided in the next two weeks. While sufficient moisture was in the ground at time of seeding, intensive heat and dry winds have hastened the need of further moisture. While there is still considerable moisture in the ground and no cause for alarm need be felt, the long period of dry weather has caused a rapid drying out of the sub-soil over the prairies generally and a good rain would be welcome.

Ontario and Quebec, as well as the Maritimes, are not suffering from a lack of moisture. On the other hand, a spell of warm weather in those provinces would bring the crops along in fine style. Quebec and eastern Ontario have had several weeks of cold, damp weather and consequently the season is somewhat backward.

Export Markets Fair

So far as can be judged from available statistics, the export markets for farm products are only fair. Wheat shipments from Canada during April were considerably less than those for the corresponding month in 1926, while cumulative figures for the current crop year show a smaller volume of exports. Foreign demand for Canadian wheat flour, however, shows a marked improvement in volume, but prices being lower aggregate value is somewhat less than last year.

Exports of dairy products are high, as compared with last year. A large percentage of the milk and cream is going to the United States. British demand for butter and cheese is still off and exports are likely to continue for some time on a low scale. On the other hand, there is an active demand for Canadian eggs.

It is significant to note in connection with exports of milk and cream that as compared with March, April shipments fell off sharply. During March 210,609 gallons of cream were shipped, principally to the United States, as compared with 170,896 gallons in April. In the same period exports of fresh milk fell away from 341,690 gallons to 166,559 gallons. May shipments may show a further decline, while June exports are expected to be at a minimum, as in that month the Lenroot Act comes into effect. The enforcement of this legislation will greatly restrict exports.

Other Phases Prosper

Wool growers are experiencing greater prosperity this year than for some time past. It appears that available supplies of wool are limited. Prices have strengthened up lately and it is anticipated that the larger clip this year will be marketed at a price substantially above that received in 1927.

The livestock market continues to display a firm tone. While American buying has lowered the supply of good quality stock, domestic demand is considerably better. Sales through the principal stock yards last month were higher than in the preceding month and considerably better than in April, 1927. While the lack of British orders for livestock and packing house products is to be deplored, the current position of the packing industry is comparatively good.

Rain Needed in Saskatchewan

The Saskatchewan government wires to The Financial Post:

A general need for rain is shown by reports of crop correspondents of the Saskatchewan Department of Agriculture received at the beginning of the week. Germination of late-sown crops has been retarded and seed lying in dry soil will not germinate until sufficient rain has fallen. Early sown wheat has germinated well and is in a healthy condition except in a few localities where soil drifting has occurred. Pastures are in poor condition and in need of rain. Eastern and Northeastern Saskatchewan seems to have a greater reserve of moisture than the western portion of the province. The weather during the month has been hot and dry. Some light showers Sunday night and on Monday are reported. The weather during the day was unsettled and it is hoped that a good rain is in store. Wheat seeding was completed in practically all parts of the province early last week and over seventy per cent. of the coarse grains are sown.

Financial Service Move

Financial Service have moved from their old address at 114 St. Francois Xavier St., Montreal, to the Bank of British North America Building, on St. James St. A feature of the new premises is a board room where out-of-town financial men will be permitted to hold conferences and meet clients and associates in Montreal.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest This Year	Latest Last Year	Cumulative for Year This Year	Cumulative for Year Last Year
	Weekly			
Car Loadings (May 19)	68,998	61,059	1,262,320	1,210,572
Stock Index	423.6	161.0	......	......
(Traders—May 17)				
C.P.R. Gross Earnings (May 21)	$ [illegible]	$ 3,193,000	$ 72,533,000	$ 66,850,000
C.N.R. Gross Earnings (May 21)	$ [illegible]	$ 4,553,766	93,637,759	$ 88,833,827
Production—	Monthly			
Pig Iron, tons (April)	74,786	77,240	282,823	255,289
Steel, tons (April)	112,780	109,107	414,153	330,659
Newsprint, cwt. (April)	192,645	166,460	768,292	654,264
Automobiles (April)	24,240	24,611	62,685	81,892
Boots and shoes, pr. (Mar.)	1,798,877	1,669,864	4,638,551	4,705,686
Flour, bbls. (Feb.)	1,464,426	1,231,000	3,043,210	2,727,000
Construction—				
Building Permits (April)	$ 18,527,846	$ 17,312,470	$ 51,480,102	$ 42,340,823
Contracts (Apr.)	56,345,800	38,582,300	125,647,100	92,336,700
Labor—				
Employment Index (Apr.)	101.1	96.2	......	......
Trade (April)—				
Imports	$ 78,490,470	$ 74,297,628	$ 364,458,469	$ 338,427,096
Exports	$ 58,975,315	$ 77,327,964	$ 337,079,554	$ 345,571,370
Imports of Key Products—(Mar.)				
Rubber, lbs.	6,695,967	8,423,000	17,544,116	18,628,000
Cotton, lbs.	12,238,517	13,040,000	43,727,069	34,318,207
Sugar, cwt.	1,042,726	1,051,282	2,062,207	2,317,725
Petroleum, gal.	82,871,019	67,497,911	189,181,933	119,719,911
Coal tons	1,349,200	1,754,683	3,807,994	5,023,916
Exports of Key Products—(Mar)				
Newsprint, cwt.	4,323,292	3,690,043	11,140,816	10,432,829
Automobiles, No.	2,686	6,512	8,816	15,405
Wheat, bush. (April)	8,360,901	20,181,762	60,588,483	60,569,380
Wheat flour, bbls.	609,372	415,209	3,285,002	2,966,502
Electric Power—Output—				
M. Kilowatt hours (Feb.)	1,273,892	1,065,850	2,591,774	2,197,062
Population—				
Emigration (Mar.)	4,724	4,381	14,478	14,945
Immigration (Jan.)	3,962	4,164	3,962	4,164
Finance—				
Failures, No. (Mar.)	164	163	549	497
Failures, Liabilities (Mar.)	$ 2,193,258	$ 1,993,679	$ 7,382,987	$ 6,706,623
Bank Debits, (Mar.)	$3,215,407,776	$2,600,376,571	$9,716,504,228	$7,512,275,144
Bond Sales (Apr.)	44,245,492	$ 70,589,321	$ 115,165,295	$ 167,920,320
Insurance Sales (April)	$ 46,718,000	$ 41,631,000	$ 179,072,000	$ 157,025,000
Wholesale Prices (1913-100)—				
General Index (Apr.)	153.2	148.9	......	......
Iron	141.7	143.7	......	......
Cotton, raw	166.8	117.0	......	......
Grains	179.6	161.6	......	......
Cattle	148.3	122.4	......	......
Rubber	36.9	65.2	......	......

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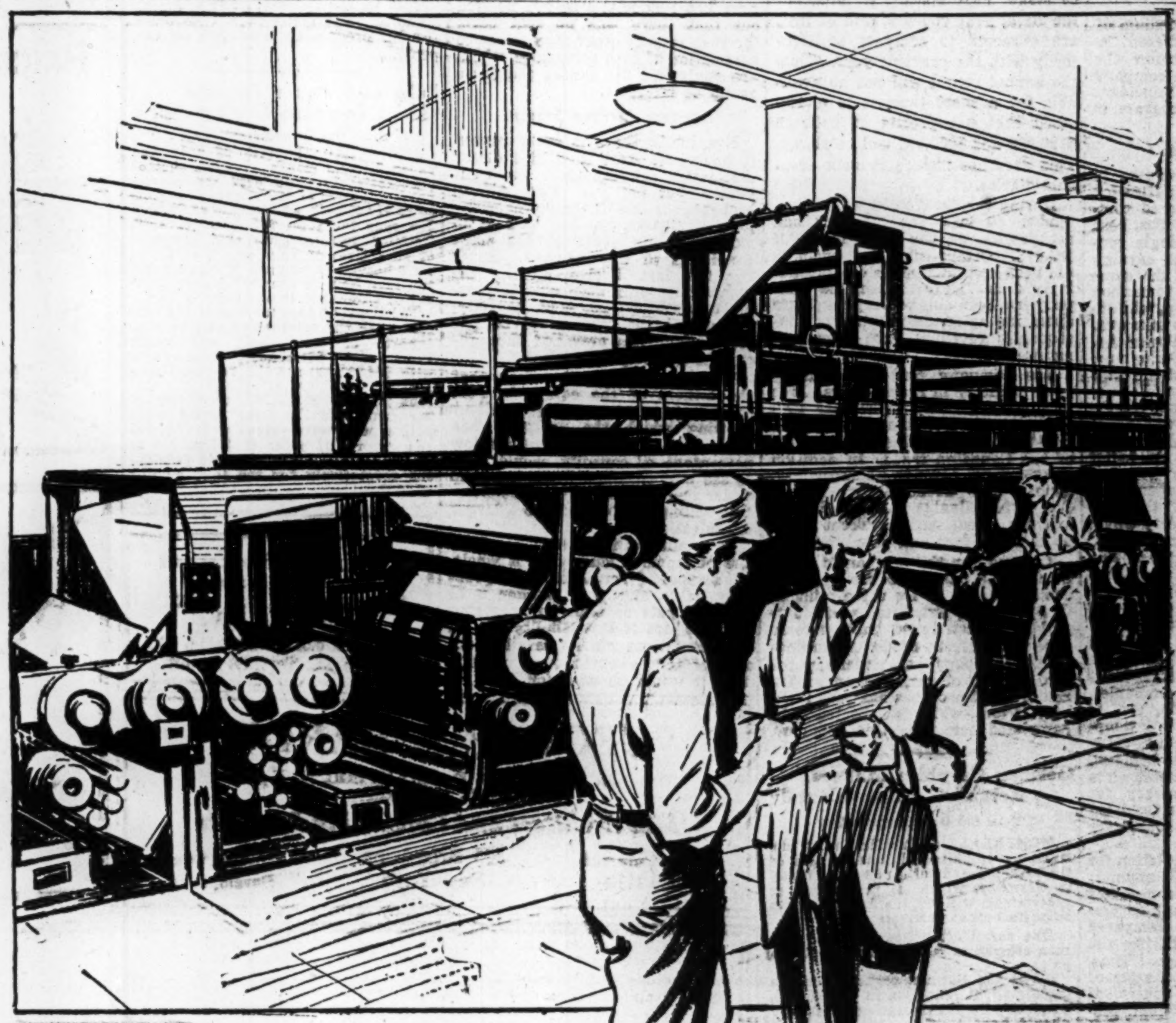

THE LAST WORD IN NEWSPAPER EQUIPMENT

FROM the beginning of daily newspapers, speed has been a dominant element in their production and distribution. It was so in the days of the stage coach and the courier. It is more emphatically so in these days of the cable and telegraph, the telephone, the radio and the aeroplane.

The multiplication of channels of fast communication has vastly increased the volume of news which flows into the modern big city newspaper office. It requires a highly organized staff of trained men to compress this flow of news within the space limitations of the paper, and to place it in the orderly form in which it appears to the reader.

Minutes are precious in the news department of a daily newspaper. They are doubly so in the mechanical departments. Here again it is a case of speed, more speed and still more speed.

Speed in the mechanical departments of a newspaper means facilities. It means typesetting machines, presses, plate-making equipment and innumerable intricate devices that invention has brought to the task of saving seconds in the production of daily newspapers.

Southam newspapers are well to the front in mechanical facilities. Commodious and imposing buildings go hand in hand with what is believed to be the last word in mechanical equipment. It is this combination of operating facilities that enables the six newspapers to give their readers the latest news available for any given edition, and to provide a uniformly early delivery to the home.

Yet even these facilities would be futile were they not backed up by an organization in keeping with their magnitude. The maintenance of such an organization in conjunction with plant progressiveness is characteristic of the Southam policy throughout Canada.

The Southam Newspapers
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The Ottawa Citizen
The Hamilton Spectator
The Winnipeg Tribune
The Edmonton Journal
The Calgary Herald
Printing a quarter of a million copies daily.
A million people read the Southam newspapers every day.

The SOUTHAM NEWSPAPERS
OTTAWA HAMILTON WINNIPEG EDMONTON CALGARY VANCOUVER

Pulp & Paper

HOLDING CONCERN NOW BEING SET UP BY INTER. PAPER

Stockholders to be Asked to Exchange Share for Share

From Our Own Correspondent

MONTREAL. — Formation of a holding company under the name of International Power and Paper Co. for the purpose of bringing together the various interests of the International Paper Co., is now in process of formation. It is proposed that common stockholders of the latter company will be offered an exchange of stock in the new organization on a share for share basis.

The new company being formed under the laws of Massachusetts is a voluntary holding concern and owns stock in the paper enterprise, extensive holdings in the New England Power Assoc., and various other utility companies controlled in Canada and the United States.

Thus all the properties will be under the jurisdiction of the new company and stockholders instead of having shares in the paper company, as at present, will have shares in the new concern.

Financing, through the medium of common stock to be offered to shareholders at a price below the market so as to enable the company to reduce its floating debt coincident with the huge expansion program, is a good possibility.

Simplify Relations

Formation of the new company is in line with plans for simplification of relations with its affiliated companies, and with the properties, both paper and utility under single control, a truer picture of real earning power can be shown. At the same time, it is understood that formation of the voluntary association, will enable International Paper to take over control of New England Power Association. International Paper now has close to 50 per cent. of the New England stock, but purchase of a substantial block of stock from Northeastern Power only a few weeks ago by Boston interests friendly to International Paper leads to the belief that eventually this stock will find its way to International Paper Company giving it control of this important public utility property which operates in the New England states.

While for the first quarter of this year International did not show dividend requirements fully earned, the statement published a few weeks ago hardly gives an accurate line on earning power this year. It is true that the newsprint market has been soft, but as the year progresses larger returns from utility companies, especially those in Canada, can be looked for. Completion of development in some districts in this country within recent months is bringing these properties in as earners, while cost of new money necessary for financing the projects has been reflected in the earnings statements for many months.

Total revenues before depletion for the quarter ended March 31 amounted to $4,398,127 and net income after charges but before dividends on preferred stock $1,469,938 compared with $3,174,580 and $994,233 for the first quarter of a year ago. Thus, the company in the first quarter of this year earned only the equivalent of $1.61 a share on 7 per cent. preferred stock and a substantial deficit was established after dividends on preferred and common stocks. Earnings are expected to increase cumulatively as the year progresses.

Say Rolland Paper Co. Deal is Completed

From Our Own Correspondent

MONTREAL.—It is generally understood that the Royal Securities Corporation's purchase of the Rolland Paper Company has been signed, sealed and delivered. The new financing will doubtless make its appearance shortly. The management of the company will remain unchanged. Of the new company, S. J. B. Rolland will be chairman of the board and J. P. Rolland is to be president, it is said.

CAN. PAPERBOARD WILL SHOW GOOD EARNING POWER

Net Profits of Nearly $200,000 Expected for Year

From Our Own Correspondent

MONTREAL.—Net earnings of Canadian Paperboard Co., Ltd., for the fiscal year ended March 31 last, are expected to compare satisfactorily with the previous year. While the annual report will not be available for a short time, it is understood that net profits of between $190,000 and $200,000 will be shown. This does not include revenue from subsidiaries.

During the six months ended September 30 last, the company had net profits, on the same basis, of $99,671. Competition for business has been keen and prices correspondingly close. Nevertheless, the company has been able to keep its plants operating at or near capacity. Consequently revenues have been well maintained.

The company has been making good headway in recent years. It is now the dominant paperboard producer in the Dominion. Its output fills 25 per cent. of the requirements of the Canadian trade. In addition the company, through its subsidiary, Quinte and Trent Valley Power Co., owns valuable water rights on Lachine Canal, and on Trent River at Campbellford and Frankfort.

Demand for the company's products in the past year has been exceptionally good. Its three mills at Campbellford, Frankfort and Montreal have been found inadequate to cope with current needs. Accordingly the company has underway the construction of a new plant at Toronto. Good progress has been made on this unit, which is expected to be completed sometime this summer.

German Sulphite Makers Establish Sales "Cartel"

From Our Own Correspondent

MONTREAL. — Unsatisfactory demand for sulphite pulp has resulted in the establishment of a new sales cartel in Germany, which, as far as can be ascertained, will sell the entire German sulphite output at fixed prices.

The cartel comprises about 20 German companies manufacturing sulphite pulp.

While the German organization has made a slight reduction in the price of sulphite pulp, the formation of the trust should have anything but an adverse bearing on the world sulphite pulp situation. The prices which the Canadian sulphite mills obtain for their output, of course, depend solely on world prices.

PORT ALFRED'S STOCK DECLINE FOLLOWS TREND

Merger Rumors Put Common Up Too High

COMPANY IS SOUND

Immediate Market Outlook for Shares Identical with Newsprint Group as a Whole

From Our Own Correspondent

MONTREAL.—The big drop in the shares of Port Alfred Pulp and Paper Corp. is due to no change in the operating conditions or in the financial position of the company. The reason for the decline in the stock from its recent high of $150 to around $100 appears to be due solely to two factors, namely, the general decline in the price of newsprint stocks and the fact that some interests were endeavoring to boost the shares on unfounded merger rumors.

During the past five or six weeks, rumors were put in circulation indicating that Port Alfred would merge with the Canada Power and Paper Corporation with which it is closely associated. From time to time The Financial Post has pointed out that there was no real basis for such rumors other than the close association of both companies, which are controlled by almost the same group of interests.

Future Merger Likely

Eventually there is every reason to anticipate some kind of a closer association between these two companies—but not yet. Port Alfred, because it is one of the newer newsprint producers, has had to take up more than its share of the slack conditions in the industry. Hence for the last twelve months the plants have only been able to operate at about 60 per cent. capacity, as against the average of 80 per cent., which has prevailed throughout the industry as a whole.

It seems probable therefore, that the owners of the equity in Port Alfred, in view of the excellent showing which the company has made even operating at such a low percentage of capacity, would wish to see how earnings would show up under more favorable conditions before selling the property to a larger organization.

If conditions improve throughout the newsprint industry as a whole, the owners of Port Alfred will probably delay any such merger until the mill gets on a better operating basis. There is a possibility though that conditions which prevail in the market for newsprint may be such that it would be wise for Port Alfred to associate itself with another company.

No Bearish News

In the meantime, there is nothing to indicate either a merger or developments which would have a bearish effect on the stock—other, of course, than the hesitancy which prevails in the demand for newsprint paper.

In 1927, Port Alfred earned $6.80 a share on its common stock. In view of the over expansion of the newsprint industry, there appears little reason to anticipate any real increase in the earning power of the company this year. Hence, in selling at about the $150 mark, there is no doubt that Port Alfred was out of line with the other common stocks of the newsprint companies. For instance, until recently Abitibi sold at over 80 and pays $4 a share a year, whereas, Port Alfred common is not yet on a dividend basis.

Outlook Unchanged

The immediate outlook for the market for Port Alfred shares is identical with the outlook for the shares of the newsprint group as a whole. There is little or no betterment in the demand in the U. S. for newsprint and as far as can be seen it will be many months before the consumption of newsprint will even show any signs of catching up with the steadily increasing capacities of the mills on this continent.

All in all, then, it can be seen that while Port Alfred is undoubtedly one of the lowest cost producers in the industry, yet any immediate betterment in the demand for its production need not be expected.

Pulp and Paper Exports Show Increase During April

From Our Own Correspondent

MONTREAL.—Exports of pulp and paper for the month of April show a substantial increase over the corresponding period of 1927, having amounted to $12,400,469, an increase of $1,260,300 over the total for April of 1927. Detailed returns show that shipment of all classes of pulp, except sulphate, were heavier in volume. Wrapping was the only item to show a smaller number of shipments in the paper group.

For the first four months of the current year the total value of Canadian exports of wood pulp and paper amounted to $61,674,593, as compared with $54,801,009 for the corresponding month in 1927, an increase for the current year of $6,873,584, or nearly 13 per cent. For the same period wood pulp exports were valued at $14,591,245 and exports of paper at $47,083,348 as compared with $13,968,427 and $48,325,082 respectively for the four months of 1927.

Gasoline Marine Engines
Equipment, Propellers
REPAIRS TO ALL MAKES OF ENGINES
Foreman Motor & Machine Co. Ltd.
Lake St., Toronto, 2, Ont.

BIG ACCUMULATION IMPERIAL TOBACCO STOCK IN PROCESS

Buying Solely for Investment Likely, But Many Rumors

From Our Own Correspondent

MONTREAL.—There has been persistent buying of the shares of the Imperial Tobacco Company of Canada. A number of rumors, explaining the demand for the stock, are in circulation. One is to the effect that a new, strong and Canadian financial group are seeking to acquire a larger interest in the company. Another report was that large British financial interests identified with the world tobacco business were also trying to buy into the company. However, as a long hold Imperial Tobacco is an attractive and interesting purchase. Therefore, the reason for the demand in appreciation of the stock may be due solely to investment buying. There can be little doubt that eventually the company will be successful in obtaining a substantial reduction in the excise duty on tobacco and on cigarettes for the present excise taxes are such as to encourage smuggling.

GERMAN REPARATIONS; WHAT CANADA GETS AND CIVILIANS' STATUS

(Continued from page 6)

plus interest if all were paid on the same basis. Canadian claims would take about 55 per cent of the Canadian reparations receipts as against Britain's allotment, which figured out, as we have seen, to about 20 per cent.

Still Hope For Claimants

The government has not finally said "thumbs down" to the shipping companies, deep sea fishermen and others who think they are entitled to a share of the reparations money. It has deferred to the next session of parliament the presentation of a policy. In the meantime the publication of Commissioner Friel's report has shown the claimants what is the maximum amount they will ever get if they get anything at all. The report has definitely killed the hopes of those who presented claims that have been turned down, for there is no appeal from the Commissioner's decisions. It may have aroused hopes in the minds of those who received a favorable report but they are hopes only and not promises.

It was stated earlier in this review that the sums paid out of the enemy property fund have nothing to do with reparations. The enemy property fund grew up under an entirely different section of the peace treaty. Before the war there was considerable investment of German money in Canada and some investment of Canadian money in Germany. There was much trading between the two countries and, obviously, when the war started a great many people in Germany owed money in Canada and vice versa. The war made it impossible to settle these claims while the enemy properties in each country were promptly confiscated by the local governments. Clearing houses were set up in the different countries after the war to adjudicate the debts and to determine the disposition of the properties involved, the general principles being that allied, including Canadian, individuals and companies with property and credits in Germany would get back their properties and be paid what was owing to them. The properties were handed back intact—for instance, the Massey-Harris factory—and the debts were paid out of the funds collected by Canada from German credits here. The outstanding debts present no real problem as it is considered fair that they should be paid in both directions. The Canadian investments in Germany present no real problem; Canadians get back their property. The property of Germans in Canada presents a somewhat different problem and the governmental viewpoint in different allied countries seems to have undergone a change since the end of the war. At first there was no disposition to give back to German citizens their property. Now the viewpoint seems to be that no country has a right to confiscate the property of those who have invested in that country in good faith, even if the investors later are nationals of a country at war with the country in which the investment is made. But all that is another problem, quite different from the one of reparations.

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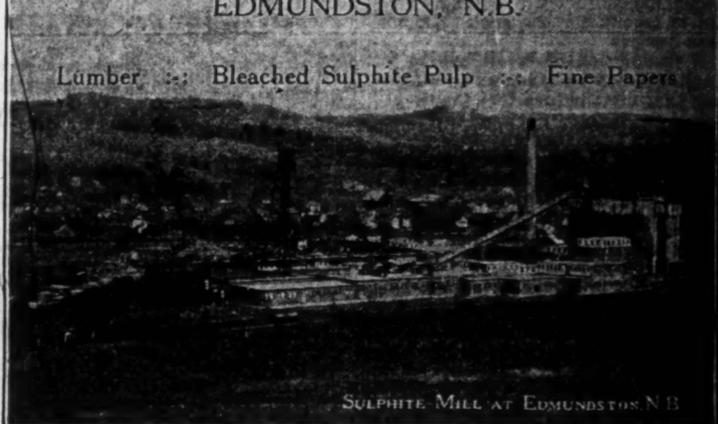
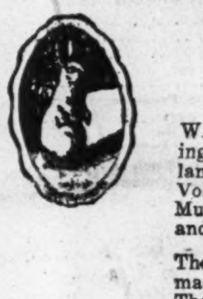


Sulphite Mill at Edmundston, N.B.

GEORGE F. HARDY
M. AM. SOC. C. E., M. AM. SOC. M. E., M. ENG. INST. CAN.
Mill Architect and Consulting Engineer
Paper, Pulp and Fibre Mills — 305 Broadway New York — Water Power Development

PORT ALFRED PULP & PAPER CORPORATION
Newsprint and Sulphite Pulp
HEAD OFFICE:
CANADA CEMENT COMPANY BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P. Q.



Wabasso Cottons
are Canada's best
WABASSO COTTONS include Sheets, Sheetings, Pillow Cases, Circular Cottons, Madapolams, Cambrics, Nainsooks, Longcloths, Lawns, Voiles, Twills; also a complete colour range in Mulls, Voiles, Check Nainsooks, Lingerie Cloths and Broadcloths in the Newest shades.
The new Wabasso Silks are attractive fabrics made from finest Combed Yarns and Celanese. They are as pretty as the Rainbow.
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BATHURST
BATHURST POWER AND PAPER COMPANY
Groundwood—Sulphite
Kraft—Newsprint—Lumber
BATHURST, NEW BRUNSWICK

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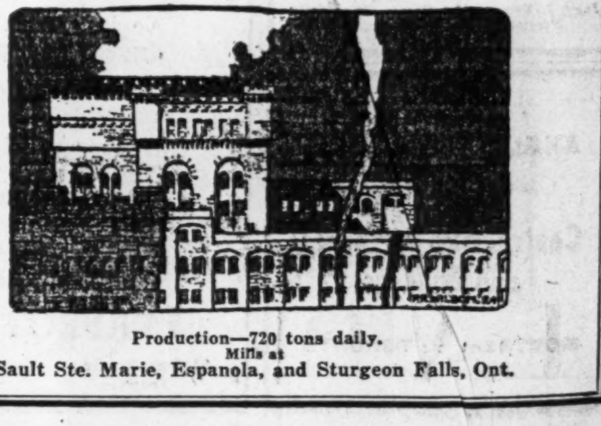
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES
MONTREAL TORONTO WINNIPEG VANCOUVER

The Canada Power & Paper Corporation
Total Daily Capacity of Plants: 1250 Tons of Newsprint.
Also producing fine and kraft papers, paperboard, paper boxes, paper bags, paper specialties, and sulphite, kraft and groundwood pulps.
Successor and Operating Company of:
Belgo-Canadian Paper Company
Laurentide Company
St. Maurice Paper Company
Canada Paper Company

Head Office:
MONTREAL—QUEBEC

Abitibi Power & Paper Company
Limited
NEWSPRINT
IROQUOIS FALLS, ONT.

The Spanish River Pulp and Paper Mills Ltd.
SAULT STE. MARIE, CANADA
Manufacturers of News Print Paper



Production—720 tons daily.
Mills at
Sault Ste. Marie, Espanola, and Sturgeon Falls, Ont.

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Brazilian

What is your opinion of Brazilian, Massey-Harris and Asbestos?

The new Brazilian common stock is an interesting speculation in the public utility field, and we believe that holders will profit if they are patient. Massey-Harris common is stock in a company with an excellent future. Asbestos Corporation possibly is slightly more speculative than either of these two.

Massey-Harris

Do you think that the present is an opportune time to pick up Massey-Harris Common? My broker speaks very highly of it, but, according to your April 27 issue, it is now selling at sixteen times its earning power and not paying anything. Personally I think that it has discounted any dividend that it is likely to pay. Could you give me any good reason why it might be considered cheap at present or attractive for a hold for, say, $55 in a reasonable length of time.

Massey-Harris Company is one of the outstanding industrial companies of Canada, which is doing a world business. We believe that any person who buys the common stock even at present prices eventually will profit. On the other hand, it is possible that holders of the common stock will have to be more than ordinarily patient before any further substantial appreciation can be expected. The directors evidently are in no hurry to pay a dividend.

Imperial Trusts

Will you be good enough to give me information re the Imperial Trusts Co. of Canada, respecting the stability of the company, the competency of its officials, the financial strength of its directors, present value of shares, and advisability of purchasing shares for investment?

Imperial Trusts of Canada has been operating for the past thirty-[?] years, and for many years had an excellent earnings' showing, paying dividends of from 3 to 6 per cent. during several years with earnings [?] years at least double the dividend. During the past couple of years, however, profits have been small, and consequently there has been no dividend paid.

Quite recently new interests headed by Hon. W. D. Ross and N. L. Nathanson, managing director of Canadian Famous Players Corp., have secured control; and it is expected that the new blood will result in a more vigorous policy being henceforth pursued.

As an investment for a long hold, Imperial Trusts shares should prove satisfactory, as the company has a good trust connection and directors of strong financial standing. We have no record of price quotations on this stock, which has been slightly dealt in recent years.

Steel of Canada

I have some Steel of Canada common which cost $61 per share. Would you advise selling now or holding as an investment?

We would not advise selling the common stock of the Steel Company of Canada even when it is held at such a substantial profit as in your case. The only circumstances which, in our opinion, would justify a sale of this stock would be if the person needed the yield which could be obtained by investing the proceeds in other securities or if the Steel Company's stocks comprised all or nearly all of a person's investment holdings.

Wants Preferred

A friend of mine has $2,500 to invest and as he has a few thousand dollars already invested in bonds, he would like to invest the above amount as follows:

$1,000 in a good preferred stock, yielding about 7 per cent. and likely to appreciate in value.

$1,500 in a good common stock which would likely appreciate in value in the course of two or three years.

Will you kindly give me a list of stocks which you would recommend?

A good preferred stock yielding about 7 per cent. and likely to appreciate in value is somewhat difficult to select. As you know, preferred stocks are issued with the redemption feature usually at around 105 or 110 so that the market value of such a stock would seldom go beyond that figure unless interest rates were at such a low point that there would be a premium on a stock of this type. However, there are a number of preferred stocks selling on the market now at around 7 per cent. which are well secured. Among these we would recommend Alberta Pacific Grain, Canada Cement and Famous Players.

If you are content to hold your common stocks for a period of two or three years we would recommend Shawinigan, Quebec Power, Montreal Light, Heat and Power, City Dairy, Steel Company of Canada, Port Alfred Pulp, International Nickel, Brazilian.

Asbestos

I bought Asbestos Common at $39 on May 8. What do you think of it? I was informed of a pool in it.

Asbestos common has come in for more attention lately. We understand that the company is doing an increased business and there is a possibility of further appreciation in this stock in the near future.

U. S. Fire Co.'s

Where can I secure full information regarding the National Ben Franklin Fire Insurance Co. of Pittsburg, the Northwestern National Insurance Co. of Milwaukee, and the Firemen's Insurance Co. of Newark?

All three of these companies have been transacting business in Ontario under both Dominion and Federal license for the past decade and a half, and have accumulated substantial assets in Canada aggregating in value more than $1,450,000. Their head office for Canada is located at 465 Bay Street, Toronto; and their chief executive officer is Lieut.-col. R. F. Massie, who will supply all information required if addressed as above.

Canada Gypsum

Will you please give me your opinion on Canada Gypsum & Alabastine, common, selling about 72. According to their set up they showed about 6 per cent. last year. Should they not stand to profit greatly by the increased building program throughout the country?

Undoubtedly Canada Gypsum & Alabastine Co. is benefiting greatly by the building boom now prevalent throughout all parts of the country. Sufficient time has not elapsed since the reorganization of the company to form any opinion of the earnings on the common of the new concern. Judging from general conditions, however, it should be doing well.

Toronto Railway Stubs

Will you kindly tell me when the last payment to holders of Toronto Railway stubs was made, and the amount?

The last payment to Toronto Railway shareholders was made a little over a year ago, and was for $1.50 per share. The exact date of circular issued to shareholders with this dividend was April 20, 1927, and not April, 1928, as appeared recently in The Financial Post through typographical error. The payments to date, as previously stated, have totalled $115.50 per share; and the future and final payment will depend upon the final settlement of certain claims outstanding. The exact date of this settlement is impossible to accurately forecast.

McKnight-Oliver Holding

I would appreciate it very much if you will give me your opinion on shares in McKnight-Oliver Holding Co., Hamilton, Ont. These shares have been recommended to me as an investment.

The shares in McKnight-Oliver Holding Company, Limited, Hamilton, Ontario, can only be regarded at best as a somewhat doubtful speculation. The company is interested in a simplified process of making steel from ore and is also interested in a radium process for healing various ailments.

Apart from the virtue of these two processes, it should be borne in mind that original investors in invention-development companies rarely receive returns eventuating from the ultimate profitable commercial usage of the same.

Galt Brass Preferred

I am offered $21 a share for my holdings of Galt Brass preferred stock with the 50 per cent. bonus of common thrown in. Do you recommend me to accept this offer?

The Galt Brass Co. is stated to have made good progress during the past two years, though the profits' showing has not been large owing to earnings reinvested in new plant and equipment.

There is at present a plan on foot to take care of the accumulated arrears on the preferred and place the company in a better financial position. This accounts in part for the comparative activity and offers to purchase the shares. It would seem as well, in face of these forthcoming developments, to hold your stock on the chance of getting a better price when the capital reconstruction is finally announced.

Canada Bread Northern Bakeries

Please give your opinion of the respective merits of Canada Bread and Northern Bakeries.

The bonds and stocks of Canada Bread Co., Ltd., are in the investment class and the common stock at the present time appears to be selling at a reasonable price. Northern Bakeries is an interesting, speculative stock, but possibly should be regarded only as a long hold. Northern Bakeries has the advantage over Canada Bread in that there is no large proportion of earnings going for funded debt and preferred stock interest and dividend requirements. From the point of view of the market, also, there is an advantage in the fact that Northern Bakeries stock is selling at a comparatively low figure per share.

Northern Bakeries has been under its present control and management for a year and it is not safe to assume from present conditions that eventually the company will not be as conservative an investment as Canada Bread, and, when that time comes, the advantages to the common shareholders of not having any funded debt or preferred stock with a prior claim on earnings will be more apparent. This advantage also is distinct at the present time when the company is building a greater business and strengthening its cash position. All the earnings of the company after taxes are being used to help the business and this policy eventually will accrue to the benefit of the shareholders.

If you are seeking a conservative investment with the probability of moderate and continuous appreciation of principal, we would suggest that you purchase the common stock of Canada Bread. If you are looking for a speculative stock which should turn out well, but which may be subject to market fluctuations from time to time, we would suggest that you purchase the stock of Northern Bakeries.

Inter. Paper

Will you please answer the following inquiry in your question column? Do you consider the following common stock a good business man's investment: International Paper common?

Common stock of International Paper represents a good business man's investment. The company's activities cover a wide field and while capital expenditures have been high during the past year or two the company will greatly benefit from these investments in the course of the next two or three years.

A new development has arisen in connection with International Paper. The company is now forming a holding company which will take in its various operations including paper, power and its interests in the New England Power Association. It is proposed to exchange the stock of the International Paper with the new company on a share for share basis. This will allow the common stock holders to participate in the earnings of the parent company and its various allied interests.

Canadian Mausoleum

I hold 20 shares Canadian Mausoleum Ltd., 7 per cent. cumulative preferred. 50 shares Gosse Packing preferred.

I bought both at 100 per share and would like your advice as to whether they are safe to hold. Since buying Gosse they have merged with B. C. Fishing, which makes stock more valuable.

Canadian Mausoleum, Limited, is a company which apparently is making progress. The company inaugurated a dividend on the common stock in the last year, and it is fair to assume that it is now on a sufficiently stable basis to count the preferred stock as a fairly good investment. The balance sheet of the company does not reveal a very strong position but a gradual improvement is indicated and it is not unlikely that this improvement will continue.

The preferred stock of Gosse Packing Company, Limited, now is in arrears, but the recent merger of Gosse Packing with B.C. Fishing and Packing is a constructive move, and the new interests which control the merged company are fairly confident that the industry again can be made profitable.

Sound Stocks Suitable

I am a young man working on an ordinary salary. I inherited $10,000. Five thousand of it is in the form of a Victory bond, maturing in 1932. Is it advisable to exchange it for a Republic of Colombia government bond. If this is not a sound investment, what would you advise me to do. What would you consider the best buy in stocks. My salary and income from an interest in foxes will enable me to carry on nicely without this money. In other words, I can afford to speculate a little with it, but have had no experience in stocks, bonds, etc.

Judging from your letter you are more desirous of a sound investment with possible appreciation values rather than "long shot" speculations. As income is not an important point with you at the present time we would suggest that you put your money into some of our leading public utility companies. While in the majority of cases the price of the stock at the present time is high and the yield very low, we consider that over a period of years your returns will be very substantial from such an investment. In this class we would recommend Shawinigan Water and Power Company, Montreal Light Heat and Power, Bell Telephone, Consumers' Gas, B. C. Power Corporation, etc.

Utilities "A"

I recently bought 50 shares International Utilities "A." Are they earning the high dividend they pay and is this a good investment? I did not intend to speculate.

International Utilities is making an excellent showing. While the earnings last year, after payment of dividends on the "A" stock, did not leave much for the "B", those reported for this year show considerable increase, leaving a substantial amount available for the "B" stock.

The company is strongly entrenched in many western cities and has valuable franchises for the distribution of power and electricity in various cities, notably Calgary, Edmonton, etc.

The outlook for the company is exceptionally good and we would recommend that you hold on to the stocks.

Bell Telephone

For one in my limited means I am quite heavily interested in stock of the Bell Telephone. I have 240 shares which comprises a considerable percentage of my actual worth. I have always had great faith in the Bell Telephone Co. for a conservative investment. I am past 70, and for a man of my age the investment has so far suited me admirably. If parliament sanctions an act to open up an investigation of the Bell subsidiaries to obtain facts, would it not be detrimental and be most likely to affect the market? What is your recommendation?

We would not recommend that you sell your stock in the Bell Telephone Company. While the company's application to the Dominion Parliament for the right to increase its capitalization from $75,000,000 to $150,000,000 is meeting with considerable opposition, we do not think that any action will be taken which will seriously affect the company.

There will undoubtedly be fluctuations in this stock but the future of the company is exceedingly good and we do not think there would be any advantage in selling your stock. Moreover, as you say the investment so far has suited you admirably and that after all is the principal thing, provided that there is no impairment in the company's position.

Can. Motor Underwriters

Would you kindly give me your opinion of the Canadian Motor Underwriters' Agency and the policies issued through them in the Central Manufacturers' Mutual and the Lumbermen's Mutual Casualty Co.?

Through the Canadian Motor Underwriters' Agencies, there is issued a joint automobile insurance policy by the Lumbermen's Mutual Casualty Co. and the Central Manufacturers, Mutual Fire Insurance Co. The latter company's head office is in Van Wert, Ohio, and it has been in business for more than half a century. Since 1923 it has operated in Canada under Dominion license; and its policies are favorably regarded in the mutual classification.

The Lumbermen's Mutual Casualty Co. claims to be the largest mutual casualty on the Continent, and paid out in dividend refunds on policies more than $1,000,000 in the year 1927. It was incorporated in the United States in 1895, and its head office is in Mansfield, Ohio. It is also under Dominion and provincial license in Canada.

Both these companies can be regarded as issuing a good policy of protection as they come under the minute and periodic inspection of both Dominion and provincial insurance department officials.

"Long Hold" Stocks

I would appreciate very much your views on the following stocks I hold: Northern Mexico Power, Canada Malting, Fraser, Hollinger and St. Lawrence Flour.

Northern Mexico Power is a business man's long hold investment. Over a period of time it should do well.

Canada Malting can be classed in the same category.

Since the publication of Hollinger's annual report a few weeks ago, public opinion in regard to this company has veered around and it is now considered in a more favorable light. Its operations in the Kamiscotia area are expected to be productive of good results. This, combined with regular operations on their Hollinger Mine property, makes the outlook for this company more promising.

Fraser Companies are doing better and investment in this concern should be satisfactory.

The flour mills lately have had more active demands from the Orient and domestic sources enabling many of the operators to keep their plants operating at a high level. St. Lawrence Flour is benefiting from this improved business and we recommend you hold this stock rather than sell it.

Six Stocks Selected for Funds of Infant

Problem of Choosing Investment for Appreciation Over Twenty Years Without Sacrificing Safety — Yield Must be Minor Consideration

I have been asked to arrange for the investment of some funds on behalf of an infant a few months old. I have about $8,000 for investment. I would like to get your opinion as to some safe securities in which to invest.

My own opinion would be to invest it in some stocks in several good reliable Canadian companies that would pay dividends and in which there would be a possibility of an increase in the value of the stocks as well as in the dividends. But I would like your opinion. Would you consider the following?

Brazilian Traction.
British American Oil.
Imperial Oil.
International Petroleum.
Bathurst Power and Paper, Class "A" stock.
Canadian Power & Paper, 1958, 5 per cent. debenture.
Montreal Island Power, 1957, 5½ per cent bonds.
British Columbia Power (new stock).

Do you think it would be advisable to buy the first four mentioned stocks at the present time or do you think that they are a little high to invest in at the present?

I would appreciate it if you would give me your opinion as to what you think an ideal investment for $8,000, if you were asked to invest it for a child of a few months old?

The infant for whom you are asked to invest $8,000 presumably is not an orphan or you would be restricted to a trustee securities. Presumably also if the infant is not an orphan, immediate yield from the investment is not essential. Some sacrifice in immediate yield is essential if a high degree of safety is to be combined with the probability of appreciation over a term of years.

The problem in selecting investments for a child is to find stocks which appear to be certain of a stable future. It is impossible for anyone to forecast what will be the situation in utility and industrial stocks twenty years from now. But, we believe it reasonable to expect that Canada will grow and that soundly established companies will grow with the country and will continue to be well managed.

Continuity of Management

This question of continuity of good management is the most doubtful factor. Many a business which rises in one generation falls in the next. The rise usually has been due to the ability of one man and the fall the responsibility of his successor, some times hereditary successor. If a business or industry can be found which has successfully passed through the stage of second-generation incapacity, or has avoided that stage, it is reasonable to believe that serious faults of management will be averted in the future. The largest public companies which are engaged in essential activities are organized and are developing along lines which, one trusts, will avert disaster. Public companies probably are farther removed from the possibility of disaster because of the fact that the financial control usually is not the same as the managerial control. The financial control of nearly all the large public companies of Canada is detached from the managerial control and yet is intimately acquainted with the details of the business. This is a factor of safety in that the financial interest, ever watchful, can take steps in time to avert serious mistakes in management.

Following is a list of six public companies which we believe of all the public companies engaged in essential industries in Canada are likely to be operating prosperously twenty years from now. Our suggested purchases are:

5 shares Canadian Pacific Railway	$1,050
10 shares Shawinigan Water and Power	940
20 shares Imperial Oil	1,380
10 shares Consumers' Gas Co. of Toronto	2,050
10 shares City Dairy	600
2 shares Royal Bank	800
	$6,820

As a background for these stocks we would urge the investment of $1,000 or more in the bonds of the Dominion Government, Canadian National Railway bonds, guaranteed by the government, or the bonds of one or other of the provinces. Tag ends of investment funds in multiples of $100 might be invested in guaranteed investment receipts of one or other of the sound trust companies. These usually are for short terms but it may be desirable to keep some moderate sum in liquid form without disturbing the stocks, because, from time to time, it is reasonable to expect that new rights will be offered on stock held and that, as funds grow, additional investments may be desirable.

Why Some Omitted

You will observe that of the list you suggested we have included only one item. The others we would not include on a list such as you desire for various reasons. Brazilian Traction is one of the most promising of the utility stocks but the fact remains that the country in which this company derives its revenue is not politically so stable as Canada and it is difficult to forecast what may take place over a term of twenty years. International Petroleum might be rejected on the same ground and we also think that it is more speculative. If you buy stock in Imperial Oil the child will have an interest in this company because International Petroleum is controlled by Imperial Oil. The long term future of the oil stocks, in our opinion, is bright, but, if you were to buy three of them, as your list would indicate, you would be perhaps having too great an investment in one industry. The Bathurst Power and Paper Company is a newly organized company operating in an industry which is faced with some immediate problems and which is most successful when it operates near its source of supply. There is no guarantee that there will be large supplies of pulpwood for the Bathurst Company to use twenty years from now. The debentures of Canadian Power and Paper and the 5½ per cent. bonds of the Montreal Island Power Company are all right in their classes but if appreciation is more desirable than yield we do not see that these need be included in your list.

We also have omitted British Columbia Power as being an unseasoned security, although British Columbia Power is a company taking over an established enterprise which has been serving Vancouver, the largest city on the Pacific coast, and Victoria, the capital of the province. The company develops and sells electric current over an area of 1,500 square miles and distributes gas and operates street railways and motor coach lines. Vancouver has a magnificent harbor and it is freely predicted that the city will become one of the greatest ports in the world. This stock should do exceptionally well if it is reasonable to expect that Vancouver and British Columbia generally will grow and develop in the next generation.

Now for discussion of the six stocks we have selected.

Canadian Pacific

Canadian Pacific Railway is one of the most successful railway companies in the world. The stock has fluctuated (especially following the war) but the inherent worth of the enterprise never has grown less. Canada cannot grow without contributing to the prosperity of Canadian Pacific. Besides being a railway, the company still has vast potential wealth in Western lands, has important investments and is one of the leading steamship companies engaged in inter-continental and coastwise traffic. It engages in a number of subsidiary enterprises, including the hotel business.

Shawinigan

Shawinigan Water and Power is affiliated with Montreal Power in the development and wholesale distribution of electricity in Montreal and other industrial regions in Quebec province. Quebec province has developed industrially to a remarkable extent in the last decade and we believe that this progress will be continuous.

Imperial Oil

Imperial Oil Limited is the Canadian oil company with the longest history and the greatest success. It is a producer, refiner, wholesale and retail distributor of oil and its by-products. It is a company which looks far into the future. It is established in the most remote regions of Canada and it dominates in the most populous and prosperous districts. No district of Canada can grow without contributing to the prosperity of Imperial Oil unless oil ceases to be an essential commodity. It is improbable that oil will cease to be an essential commodity. Through International Petroleum the company also is a factor in the international oil market and it is likely that there will be increasing sources of revenue in Central and South America. It is apparent that the company will be the dominant factor in the development of the oil resources of Alberta.

Consumers' Gas

Consumers' Gas Company of Toronto serves the second largest city in the Dominion with an essential modern commodity. The company has been established more than two generations and it has grown in the face of competition from the publicly-owned Hydro-Electric System. New uses for gas have been developed and are being developed and the company is keenly alive to the necessity for expansion in its original field and in adjoining fields. By its charter the company is limited to a 10 per cent. dividend. That dividend is being paid at present and it has been paid for a number of years. It is expected that this rate can be continued. Appreciation in this stock comes through gradual decrease in interest rates and through the fact that the company from time to time needs new capital for betterment and expansion. New capital is usually found by offering new stock to shareholders at prices somewhat under the market. The average yield from this stock over a term of say, twenty years probably would be considerably in excess of the 4½ per cent. indicated by the prevailing price.

Royal Bank

Royal Bank of Canada is the largest of the chartered banks, and one of the leading financial institutions of the world. Disaster to this or one of the other leading Canadian banks would be a national disaster of magnitude. But disaster need not be feared; the bank is growing and, we believe, will continue to grow. The average return over a term of years on this investment should be highly satisfactory.

City Dairy

City Dairy of Toronto is the most successful company dealing in milk and dairy products in Canada. As a company engaged in an essential industry it is reasonable to hope that its success will be continuous. However, as it is not so large as the other companies we have mentioned and is not a natural monopoly (in fact, like Imperial Oil is has severe competition) it is perhaps the stock which will require the greatest watching over a term of years. At present the management is a one-man show. Yet the directorate is composed of men of vision and ability and it can be expected that an unavoidable change of management would be followed by a new management approximately as good. In the meantime, the present management is building on an extremely sound foundation and its successor or successors doubtless would continue to operate along the lines which have proven so successful in the last ten years or so.

Even Best Need Watching

While we have selected six stocks which in our opinion are among the safest common stocks in Canada and which are of companies likely to remain prosperously in existence for generations, it should be noted that no investment safely can be considered a permanent investment. Every investment needs watching. Political and economic conditions change. Stability and continuity are only relative.

We have departed greatly from the orthodox advice on such matters on the assumption that the child is not an orphan and that the money is not the estate of a parent. The orthodox advice would be to put the money into government bonds and if possible merely to let the interest therefrom be added to the principal. We have taken it for granted that this was not essential in this instance and we believe that appreciation of principal is possible without sacrifice of safety.

You will observe that of the six stocks four are of utilities, a fifth is an essential food product and the sixth an industry which in a space of twenty years has assumed the importance of a public utility. All are paying dividends.

When Women Invest

Should Payment on Brooks Motors Stock be Completed? — A Small Bakery as an Investment — Border Cities Realty

A WEEKLY FEATURE

I have 20 preferred and 16 common of Brooks Steam Motors. I have a balance of $100 to pay. I hardly know how to act. Would you advise completing payment to get certificate? I am a widow and would be grateful for your advice.

It is difficult to advise a person in your position as regards stock of Brooks Steam Motors, which is not fully paid for. Apparently you lose all rights to the stock if you cease to make payments which are due. On the other hand, it is doubtful if you ever will get anything for the stock even if you pay it up and get the certificates into your own possession.

There is just a remote chance that the company under its present management will be able to perfect a steam bus which can be sold at a price which will leave something for distribution among the shareholders of Brooks Steam Motors. But, it is just a remote chance, in our opinion.

Communication with the present directorate of the company might bring to you a proposal to give you paid up stock to the amount which you have paid in, thus relieving you of further obligation without forfeiting what you have already paid.

REGAL BAKERIES COMMON

Please advise if I should buy common shares in Regal Bakeries, Ltd.

We understand that the Regal Bakeries are making good progress, but we doubt if the common stock of the company is a suitable investment for a woman who is looking for security and yield. Regal Bakeries is one of the smaller companies operating in Toronto. The two leading baking companies of Canada, Canada Bread and Northern Bakeries, are in this highly competitive field.

If you wish to buy common stock in a baking company and yet do not wish to be taking speculative chances, we would suggest that you buy the common of Canada Bread. If you wish a lower priced stock, which possibly will appreciate more rapidly than that of Canada Bread we would suggest the stock of Northern Bakeries, Limited.

Besides being small, one of the disadvantages of investment in such a company as Regal Bakeries is that the stock is not listed. If you desire to sell the stock at any time, you might find it difficult to get what you would consider a satisfactory price. On the other hand, both Canada Bread and Northern Bakeries are listed on the Toronto Stock Exchange and, while there are some fluctuations in prices, there always is a ready market.

BORDER CITIES REALTY

Let me know if you consider Border Cities Company a safe investment?

Bonds of the Border Cities Company, Limited, are secured by first mortgages on properties sold by the real estate firm of Gundy and Gundy. With Windsor and the other border cities apparently growing rapidly and substantially, it is reasonable to suppose that these bonds will remain good investments. We would recommend, however, that not a very large proportion of one's total investment funds be placed in the one security, particularly a real estate bond which possibly cannot be sold quickly if one should desire the money.

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Investment Bankers
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MAin 2203 & 0321

"Mentholatum" received largest returns from "La Presse Coloured Roto Magazine"
"You will be interested to know that the coupons used in the Mentholatum advertisement in 'La Presse Coloured Roto Magazine' produced a larger number of returns as against any other individual publication on the list." *
*Extract from letter from Mr. A. H. MacLauchlan, Manager of Toronto Office of Desbarats Adv. Agency, Ltd.
The circulation of La Presse Coloured Roto Magazine is over 200,000 copies per issue. Try out this wonderful puller!
Montreal LA PRESSE
Toronto Branch: Metropolitan Bldg., Elgin 9652, S. L. Rees, Mgr.

Do You Need This Man?
CAN you use an energetic, ambitious young man with progressive ideas and the energy and ability to put them into execution?
Connection with a live organization where experience and ability can be profitably applied is what I want—also permanence.
To the organization that can make use of my services I am prepared to offer an intimate acquaintance with merchandising and advertising administrative work, a successful record as a salesman and later as sales executive, also the ability to write strong advertising copy and plan advertising campaigns that bring results.
Credentials cheerfully submitted. Am married, 34 years of age. No hesitation about going where an opportunity to prove my worth may offer.
Box 116, The Financial Post, Toronto, Ont.

Royal Financial Corporation LIMITED
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A purely Western Canadian organization confining its activities solely to the buying and selling of investment securities.

Loblaw Gross Sales Nearly $15,000,000 in Year Just Ended

Increase is 40 Per Cent. Over Previous Twelve Months

Loblaw Groceterias, Ltd., will show gross sales of approximately $14,750,000 in the fiscal year which closed May 31, compared with gross sales of $10,517,093 in the year ended May 31, 1927.

Officials of the company say that, as yet, it cannot be stated what the profit per share will be, but judging by the upward swing of the last several years, the profit on the common, including the new shares will be not less than $4.50 per share, compared with $3.05 per share in the previous year on a smaller number of shares.

Sales Up To 40 Per Cent.

In 1927, the company increased its sales 36 per cent. and its profit 59 per cent. In the year just closed the sales are increased a further 40 per cent. An increase in profit of 50 per cent. may be a conservative estimate. It would make the profit a little under $1,000,000. From this net must be subtracted the preferred dividend of $38,339 or less and the 10 per cent. of remaining net profits for preferred sinking fund.

The last available balance sheet shows preferred outstanding to the total of $547,700. It is not known whether or not any considerable amount of this has been redeemed. The sinking fund is operative but the company is not required to pay the market price, although no call price is fixed. At one time, the Loblaw preferred sold as high as 175, evidently on the assumption that the company would have to pay whatever is demanded. Latterly, however, the price has receded to a figure which is little better than the price for first class non-callable preferreds.

Loblaw common latterly has been changing hands, ex-rights, at 95. A year ago the price was 50 or thereabouts. The gradual advance in the stock itself is an indication of the continued rapid improvement in the position of the company.

Opens 63 Stores

Latest available figures show the company as operating 63 stores, compared with 49 at the end of the previous fiscal year. An increase of fourteen stores may be considered a normal increase, in view of the opening of eleven stores the previous year, nine in 1925 and eight in 1924. The profit per dollar of sales was 5.98 cents in 1927, 5.12 cents in 1926, 4.59 in 1925, 4.18 cents in 1924 and 3.68 cents in 1923.

On the basis of $14,750,000 of gross sales, Loblaw's would need to increase the profit per dollar of sales to only 6.50 cents in order to show a net profit approaching $1,000,000. This increase in profit per dollar of sales would be less than in any year since 1924, when the company opened eight new stores, thereby increasing the total of stores to a mere 20.

It is reasonable to suppose that the company's profit in ratio to gross sales has continued to increase materially in the last year. While new stores have been opened, none, so far as can be learned, has shown signs of failure and none is operated so far from the base warehouse as to add greatly to the cost of transportation and supervision. The proceeds of the sale of 17,423 shares of common at $60 the share will have paid for the new warehouse at Toronto, so that the liquid position of the company doubtless remains as good as formerly.

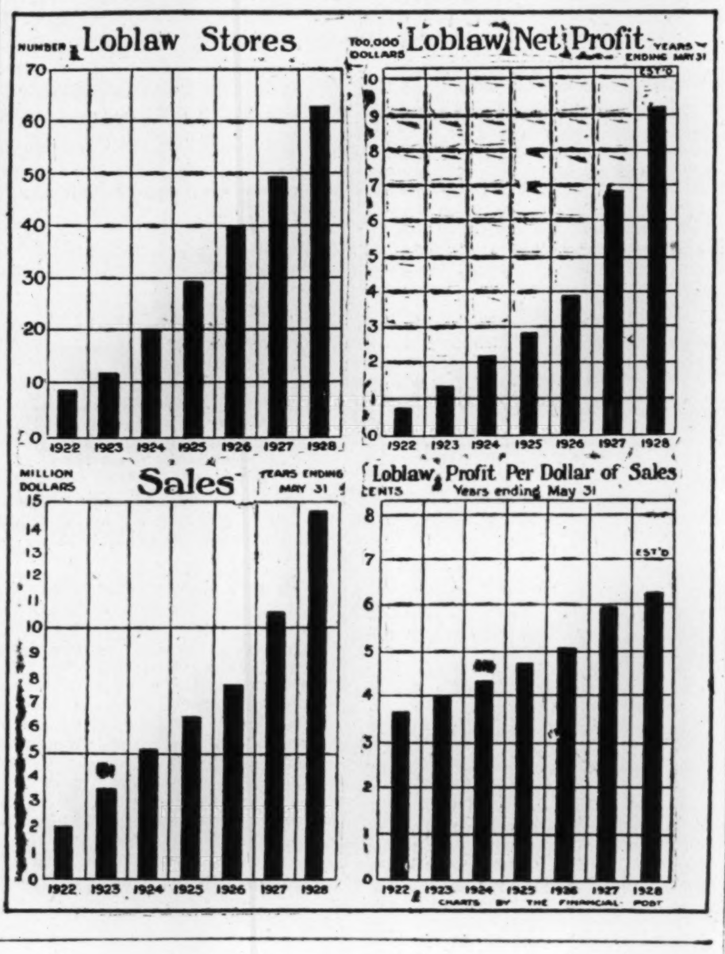
Use New Warehouse

This new warehouse gradually is getting into operation. Carload shipments have been delivered there for some weeks and what may be termed the factory portion and the storage facilities are in use. In the matter of two or three weeks all shipments will be leaving from the new warehouse.

Chain-store operators of long experience are inclined to demur at the use of chain-store capital for real-estate holdings. Loblaw's however, follows no settled policy in this regard. The new warehouse which, with equipment, is likely to show a gross expenditure of $1,000,000, will reduce greatly the cost of handling goods and, in addition, its location on Fleet street, (the Toronto harbor front not far from the Eastern entrance to the exhibition) has a great advertising value which doubtless has not been overlooked.

In the earlier days of the enterprise, the company was forced to a great extent to build its own stores for the reason that few communities boasted store space of sufficient size for the Loblaw type of merchandising. More recently, since it has appeared that Loblaw's is established, there is no difficulty in inducing landlords to build suitable stores. But the company is of the opinion that a Loblaw store increases values in a neighborhood and for this reason is not averse to building its own stores once the directors are satisfied that the location is the right one.

Groceteria Sales Volume Up Profit Probably Growing



Are Oil Stocks Turning the Corner?

OIL SECURITIES have not followed the prolonged upward swing of the general markets. As a result, good oil securities at present price levels seem to afford a most attractive investment. We specialize in the securities of the leading oil companies and would be pleased to furnish the latest reliable report on any company in which you are interested, or, if desired, make specific recommendations.

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CHEMICAL FIRM IS IMPROVED BY STOCK CHANGES

Balance Sheet is Better With Goodwill Deficit Eliminated

Annual report of Standard Chemical Co. for the year ended March 31, 1928, shows net profit after taxes and depreciation of $139,667, compared with $4,676 for the previous year and deficits for years previous to 1927. With a dividend of $1 payable on the 37,277 common shares, there is remaining to be carried to the balance sheet $102,390. It is expected that the dividend rate gradually be increased following the elimination of excessive capital charges.

In 1927, the shareholders of the company ratified by-laws converting the $4,852,700 par-value stock into common shares of no-par value. Of the previous capitalization, $3,602,700 was 7 per cent. cumulative preferred stock of $100 par value on which there were arrears from June 30, 1914.

Balance Sheet Better

With these changes in effect, the balance sheet of the company makes a much more healthful appearance. M. L. Davies, the president, explains in the report that the changes have enabled the directors to eliminate from the balance sheet such items as goodwill and deficit, and to write down the land timber limits, plant and equipment account to a sound basis. Previously, the deficit was $925,808, goodwill was carried at $1,870,724 and plant account stood at $1,734,041 after deducting depreciation. There is now a capital surplus of $102,390. Plant account is shown at $532,700 and goodwill is absent. The funded debt has been reduced by $82,415 to $232,967. Current assets show an expansion of $214,857 against an increase in current liabilities of $67,863.

Sales are up some $146,000 to $1,781,243.

Sells Hamilton Factory

Canadian General Electric Co. has sold the Hamilton plant, known as the Canadian Tungsten Lamp Works, to the Lang Leather & Belting Co. It is assumed that the company will concentrate its lamp business in other plants.

AWAIT DECISION ON CONSUMERS' RIGHT TO GROW

Toronto Thinks Gas Co. Should Confine Expansion to City

The Ontario Railway & Municipal Board has reserved decision in the action instituted by the City of Toronto to prevent Consumers Gas Co. from extending its mains and service to Mimico and New Toronto. These latter municipalities have granted the company franchises. Further extensions into the environs of Toronto may be contemplated.

The civic authorities deemed it their right to intervene because of the peculiar relations between the gas company and the city. The mayor of Toronto is ex-officio a director of the gas company. The gas company is limited by its charter to a dividend of 10 per cent., and profits in excess of this, after depreciation, maintenance and certain reserves and other charges, go into a special surplus account which, when it reaches a fixed sum in ratio to total consumption, is applicable to a reduction in the price of gas.

It is not apparent in what manner extension of the gas company's activities beyond the corporate limits of Toronto could be inimical to the interests of the city or of consumers within the city, but the question before the railway board evidently concerns the franchise rights of the company.

INDIANS GET PAID BY CALGARY POWER

Bow River Land Will be Flooded After Dam Construction

Purchase of land along the Bow River, near the mouth of the Ghost River, where the Calgary Power Co. will construct a power plant larger than either the Kananaskis or Horseshoe plants, has been arranged and awaits confirmation from the Indian department of the Dominion government at Ottawa.

Calgary Power Company will pay the Indians about $20,000 for the land and in addition to this money, a yearly payment for water rental will be made by the company to the Indians.

The actual acreage included in the transfer is stated to be 1,229 acres between the mouth of the Ghost River and the Morley settlement. This land will be flooded by the dam constructed across the Bow River. The bulk of the land involved is on the north side of the Bow River.

In addition to this area to be flooded, a strip of land between the Ghost River and the present power company plant at Kananaski was included to enable construction of an additional transmission line for the company.

Officials of the power company explained that the proposed plant would have a storage capacity of about 25,000 horsepower. The Horseshoe plant's storage capacity is about 21,000 and the Kananaskis plant is capable of storing about 12,000 horsepower. This figure for the new plant is approximate as complete plans have not been developed in detail by the power company.

A $5,000 Investment Suggestion

Burns & Co., Limited
5½% First Mortgage Bonds,
Due 1 June, 1948,
Price: — 99.50 and interest.

Famous Players Canadian Corpn. Limited
6% First Mortgage Bonds,
Due 1 April, 1948,
Price: — 100 and interest.

Great Lakes Paper Co. Limited
6% First Mortgage Bonds,
Due 1 March, 1950,
Price: — 100 and interest.

Great West Saddlery Co. Limited
6% First Mortgage Bonds,
Due 1 March, 1948,
Price: — 100 and interest.

Montreal Apartments, Limited
5½% First Mortgage Bonds,
Due 1 July, 1948,
Price: — 97 and interest.

To purchase a $1,000 bond of each of the above securities would cost $4,965, exclusive of accrued interest, and would bring in an annual income of $290, or an average return of 5.80%. This gives the investor excellent diversification; it also combines the three essentials of security, marketability and good interest return.

Bell Gouinlock & Co.
67 Yonge St., Toronto

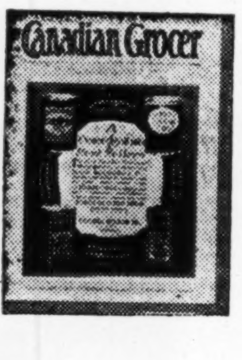
Metropolitan Chain Buys Vancouver Site

Metropolitan Chain Stores has bought the Empire block on Hastings Street, and will operate a store there. The building is a four-story structure of modern design. It is reported that the price was $500,000.

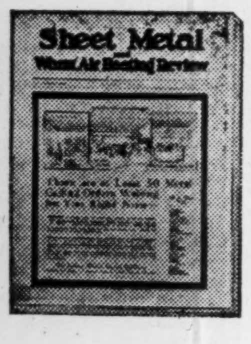
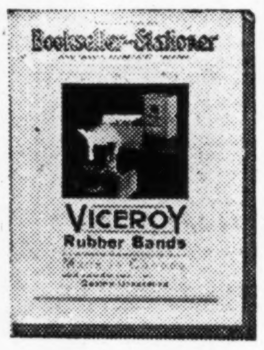
Metropolitan Chain Stores now operates 100 stores in Canada and the United States. It is possible that the Vancouver store will not be in operation before next year because of existing leases.

Imperial Oil Spends $315,000

Imperial Oil, Ltd., will remodel its plant at Vancouver. A three-storey warehouse and a two-storey office building will be constructed at a cost of $315,000.



11 Vital Units in Canada's Trade Expansion

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May we send you further information? Write the individual paper.

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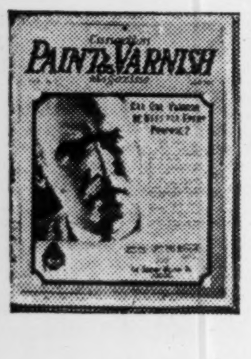
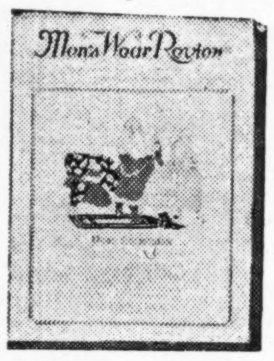
Drug Merchandising — **Canadian Grocer**
Sanitary Engineer — **Bookseller & Stationer**
Dry Goods Review
Canadian Paint and Varnish Magazine
Hardware and Metal's Data Service
Sheet Metal and Warm Air Heating Review
The General Merchant of Canada

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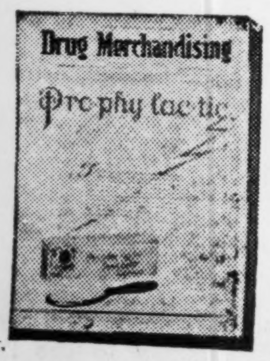

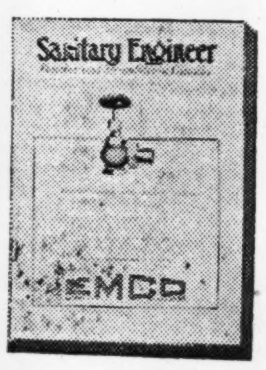

New Issue

$650,000
The Corrugated Paper Box Company Limited

(DOMINION CHARTER)

7% Cumulative Sinking Fund Redeemable Preference Shares
(Par Value $100)

The Preference Shares will be fully paid and non-assessable, carry fixed cumulative preferential dividends at the rate of 7% per annum payable quarterly on the 1st of March, June, September and December in each year by cheque at par at any branch in Canada of the Company's bankers; are preferred as to dividends and assets over other classes of shares; are redeemable by purchase in the open market at the lowest available price not exceeding the redemption price, or upon thirty days' previous notice on any dividend date at $110 per share and accrued dividends. Preference Shareholders are entitled to one vote for each preference share held.

Company is to set aside annually a sinking fund of 10% of its net earnings in the previous year after payment of cumulative dividends for the current year on outstanding preference shares. The sinking fund is to be used in redemption by purchase or call of preference shares.

TRANSFER AGENT: The Canada Permanent Trust Company, Toronto. REGISTRAR: Montreal Trust Company, Toronto.

BANKERS: The Royal Bank of Canada.

Capitalization

	Authorized	To be issued
7% Cumulative Sinking Fund Redeemable Preference Shares, par value $100	$1,500,000	$650,000
Common Shares (without nominal or par value)	100,000 shs.	40,000 shs.

From a letter addressed to us by Mr. J. S. A. Whealy, President of the Company, and from other information which we have obtained, we summarize as follows:

The Company: The Corrugated Paper Box Company, Limited, is acquiring as a going concern the business, undertaking and assets of The Corrugated Paper Box Company, Limited (a company incorporated under the Ontario Companies Act, with Head Office at Toronto), as at April 1st, 1928, including its holdings of 68.8% of the outstanding capital stock of Hilton Bros., Limited, of Winnipeg. It is also acquiring at the same time the balance of the outstanding capital stock of the latter Company. The Company and its fully owned subsidiary, Hilton Bros., Limited, will operate two of the most modern and efficient plants in the Dominion for the manufacture of corrugated and solid fibre shipping containers. Distribution of the Company's products is made from Coast to Coast through its own sales force.

Property: The Toronto plant, which is built on a valuable manufacturing site adjoining the main line of the Canadian Pacific Railway, has a 336 foot frontage on Geary Avenue, with a depth of 111 feet. The entire site is occupied by a factory building of mill construction two stories in height with a superficial floor area of approximately 65,000 square feet, with a third story on the western section having an additional 10,000 square feet, and an eight-car private siding on the Company's property. The third story is at present leased to the Stromberg-Carlson Telephone Manufacturing Company.

The Winnipeg plant of the subsidiary company, Hilton Bros., Limited, is located on Wall Street, adjoining the C.P.R. tracks running to the Ford Motor Company's plant, and has its own private siding. The building, as is the case with the Toronto plant, has been specially designed throughout for the manufacture of the Company's products. Constructed entirely of brick, it covers a ground area of 37,860 square feet. Both factories are equipped with the latest type high-speed machinery for mass production. The administrative offices of the companies are located on their respective premises.

Business: The Corrugated Paper Box Company, Limited, and its subsidiary will manufacture a broad range of corrugated and solid fibre shipping containers. These are used in practically every trade for the shipping of goods up to ninety pounds in weight. The advantages of this type of container are: (1) Durability combined with lightness in weight; (2) savings in shipping costs and storage prior to use owing to the collapsible feature of the product, and (3) low cost. Among the prominent manufacturers who despatch products of their factories in corrugated fibre shipping containers made by the Company may be mentioned Christie, Brown & Co., Limited; Crosse and Blackwell of Canada, Limited; Canadian Canners; General Motors of Canada, Limited; The Ford Motor Company of Canada; Orange Crush, Limited; Robinhood Mills, Ltd.; The Canadian General Electric Co., Ltd.; The Western Canada Flour Mills, Ltd.; The T. Eaton Company, Ltd., Winnipeg, and Harris Abbatoir (Western), Limited.

Earnings: Messrs. Price, Waterhouse & Co. certify that the net profits of The Corrugated Paper Box Company, Limited (predecessor company), for the period of three years, from January 1, 1924, to December 31, 1926, and that the combined profits of The Corrugated Paper Box Company, Limited (predecessor company), and Hilton Bros., Limited, for the year 1927, after making adequate provision for depreciation of buildings and equipment and for income taxes, were as follows:

1924	1925	1926	1927
$48,476.47	$82,038.28	$60,673.64	$106,528.75

The combined net earnings of the above companies for the year ending 31st December, 1927, of $106,528.75 were equivalent to 2.34 times dividend requirements on the preference shares presently outstanding. Earnings available for common stock, after deduction of preference dividend requirements of $45,500, and before preference share sinking fund, were $61,028.75, or equivalent to $1.52 per share.

The combined operating profit for the first quarter of 1928 is $19,818.04 in excess of that for the first quarter of 1927, and the estimated profit for the present fiscal year, after allowing for ample depreciation and income tax, is $165,000, or over 3.6 times the dividend requirements of this issue, and, after deducting the dividend requirements of $45,500, and before preference share sinking fund, is equal to approximately $3.00 a share on the no par value common stock presently to be outstanding.

Control and Management: The control and management of the Company will be in the hands of Messrs. J. S. A. Whealy, A. T. Whealy and J. A. Whealy, who were responsible for the success and development of the old company. Hilton Bros., Limited, will continue under the direction of Messrs. Henry Hilton and W. J. Hilton.

PRICE: 100 and accrued dividend per share.

Carrying a bonus of three shares of Common Stock with each ten shares of Preferr

Fractional shares of Common Stock will be adjusted at $25 per share.

Application will be made in due course for listing of the Preference and Common Shares of the Company on the Toronto and Winnipeg Stock Exchanges.

GAIRDNER & COMPANY, LTD. 312 Bay Street ELgin 2301
C. H. BURGESS & COMPANY, LTD 255 Bay Street ELgin 1387

TORONTO 2

These shares are offered when, as and if issued and received by us and subject to approval by Messrs. Starr, Spence and Hall, Toronto, for the Company, and by Messrs. Long and Daly, Toronto, for the Underwriters. All statements herein are based upon information which we regard as reliable and, while we do not guarantee them, we ourselves have relied upon them in the purchase of these shares.

STILL EXPECT GOOD VALUES FOR 1928 CROP

Wheat Markets Are Sluggish With Many Factors Governing

WORLD POOL MEET

Idea of a Pool to Control All of World's Wheat is Spurned in Regina Program

From Our Own Correspondent

WINNIPEG. — The wheat market is a sensitive affair these days, with traders decidedly uneasy over making any unnecessary committments that may involve them in losses should prices, which seem to be uncertainly poised at the moment, move sharply either up or down.

The chief bear factors are the existence of a large surplus of wheat still in Canada which ought to be moved into consumption within the next two months, and the possibility of the west producing this year the biggest crop in its history as the result of ideal seeding conditions. Each of these is subject to discount. A few days of sluggish movement of old crop will be followed by a report of good buying from European sources, which is taken as an indication that last year's surplus will be satisfactorily cleared up without recession in price. A brief period of excessively hot weather brought fears for the growing crop, and recollections that the dry year of 1919 had started out in that way. While Manitoba for the most part has received bountiful rains since wheat seeding was completed, Alberta and Saskatchewan have had only local showers, and reports come in from a number of scattered districts that rain is badly needed. Cooler weather brought a more optimistic outlook, but the rapidity with which the market moved up on the possibility of damage was a decided indication of strength.

U. S. May Produce Surplus

It seems to be established that the winter wheat crop of the United States has much improved since the last U.S. Government crop report, and there is a probability of the United States having a surplus over domestic requirements this year. Surplus or not, a good deal of the winter wheat crop will likely move into export channels in July and August, leaving a deficiency, if any, to be corrected later from other sources.

Reports from Europe continue to reveal unsatisfactory conditions in the growing crops there, and add to the likelihood of strong export demand later in the year.

Americans Get More for Wheat

Cash wheat in the United States is still in a strong position. Millers at Minneapolis are paying prices away above the Canadian level for wheat of high protein content. Some time ago when the reverse situation prevailed, and Canadian prices were running above Minneapolis, extravagant claims were made on behalf of the Canadian pool that its efforts were getting for Canadian farmers more than farmers south of the border were getting for wheat of equivalent quality. Nothing now is heard of such claims, and the fact is that the farmer south of the border, in the hard wheat states, is getting considerably more for his wheat than his Canadian cousin. However, that gives the Canadian farmer no cause for grumbling, even against the high tariff of the United States, for it would not take many carloads of wheat from Canada to bring prices down close to the Canadian level, if free movement of wheat were possible. Rather, the Canadian farmer can take satisfaction out of the fact that wheat is moving into consumption at such high figures, and that purchasers of flour and bread are getting used to corresponding prices.

McNary Haugen Bill Ignored

The market, either here or in the United States, paid practically no attention to the veto of the McNary Haugen bill by President Coolidge, and to the failure of the Senate to over ride his veto. Had the bill gone through, it would have meant an attempt to dump large quantities of American grain in Canada and upon Canada's customers at prices below world levels, in order to create an artificial scarcity in the United States. Judging from the market, the failure of the bill to become law has been considered to be a foregone conclusion.

Not Essaying World Pool

REGINA. — The International Wheat Pool conference to be held in Regina on June 5, 6 and 7 is more remarkable for what it is not, than for what it is. It grows out of two previous annual conferences, held in the United States, at which the possibility of a world wheat pool, or at least a federation of wheat pools seemed to be envisaged. The programme announced for the coming conference seems to make it clear not only that any idea of such a development has been abandoned, but that the promoters of the conference would like to have it forgotten as completely as possible. The conference, from its make-up and programme, would be incapable of forming plans for any common action among those represented. It is true that half an hour has been sandwiched in on the programme of the last day for discussion of the subject of "international co-ordination," but that brief time rather serves to indicate that no one has any expectation of bringing about such co-ordination or any idea that it would be valuable to the wheat producers of Canada if it were brought about.

Irish, British, Russians Come

The Irish co-operative movement will be represented by R. Metcalf, assistant secretary of the Horace Plunkett Foundation; and the International Co-operative Alliance by its secretary, Henry J. May. Sir Thomas Allen, of the British Empire Marketing Board, will be in attendance. Representatives are on the way of the Scottish Co-operative Wholesale Societies. The American Institute of Co-operation will be represented by C. O. Moser, president of the American Cotton Growers' Marketing Association, who is to deliver an address on marketing cotton. Representatives are to be present to discuss the marketing of dairy products in North Dakota and of fruit in British Columbia. It is interesting to note that space is provided on the programme for a representative of the Centrosojus of Russia.

May Abandon Extravagant Claims

The addresses to be delivered by the various speakers in the course of the three days' programme will doubtless be interesting. It is doubtful, however, if they can be as interesting as the evident collapse of the idea of international organization or international co-ordination in the selling of wheat. It was originally believed by wheat pool promoters in Saskatchewan that the staging of an international conference in Regina just prior to an intensive campaign for the signing of contracts for another pool term would result in an increase in enthusiasm in the province for the new contract. It will not be surprising if an opposite effect is produced, as it is brought home to those who watch the account of the proceedings that some of the most extravagant ideas formerly held with respect to pooling, have definitely been abandoned by all concerned.

OSLER & HAMMOND

F. G. OSLER — G. T. CHISHOLM
H. F. MARRIOTT — H. FRANKS

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21 Jordan Street, TORONTO — 145 St. James St., MONTREAL

FRANK J. SMITH, *Manager Montreal Office*
Telephone: HArbour 5282

Atlantic Sugar Refineries
LIMITED

General Offices
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.

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STOCK BROKERS

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Direct Private Wire to All Branches and New York

Massey-Harris Sales Substantially Higher Than Previous Years

First Five Months of 1928 Establish New High Record

OUTLOOK IS GOOD

Collections Best in Years—Economic Position of Farmer Sound

Operations of the Massey-Harris Co. for the year 1928 bid fair to eclipse all previous records of the company. To date sales are considerably in excess of last year, the increase probably being in the neighborhood of 8 to 10 per cent. As last year's business was the largest in the company's history, eclipsing its previous record year, 1920, by nearly three-quarters of a million dollars, an increase of even 5 per cent. in sales will mean a very big thing, annual turnover of this company running into many million dollars.

In practically all departments of the company's business there has been a big increase in both production and sales. Perhaps the most remarkable trend has been the marked increase in demand for extra heavy machinery. In this connection, the company recently completed a 33-run drill some seventeen feet wide, capable of seeding an 80-acre farm in a single day. Similarly, the reaper-thresher introduced for the first time a couple of years ago is working out very satisfactorily, where the acreage is sufficiently large and where climatic conditions warrant. Some five of these new combined machines were put in operation in the month of May south of Calgary, and were found to be of inestimable value in reaping and threshing on the ground the matted grain that had lain out in the weather all winter long. Operations in this area were particularly satisfactory, large acreages of this left-over grain being rapidly reaped and threshed by these new machines, no difficulty being encountered because of the tangled condition of the storm-beaten wind-driven grain that had been subject to the severities of the western winter.

Amazing Trend to "Heavies"

Of course, this particular new "combine" reaper-thresher is not suitable for all parts of the west; and it can only be used profitably where the acreage to be harvested is of quite a size. In mid and southern Alberta and parts of Saskatchewan where there is not too much moisture at harvest time and where climatic conditions are such that the farmer can leave his grain standing in the field until it becomes quite ripe—under such conditions the reaper thresher is a boon to the farmer having huge acreages to cut. For this machine will perform the dual operation of reaping and threshing in an efficient and exceedingly speedy manner, and get the crop into the elevators in a fraction of the time otherwise required.

According to harvester officials the trend towards huge farming machines in the past few years is simply amazing, though it is the logical development of the weather conditions in the west. Because of the uncertainty of weather conditions at seeding and harvesting time, the farmers have searched for the quickest possible way to get their grain into the ground in seeding season, and to get it harvested once it is ripe. Hence the trend towards bigger and faster farm machinery. The farmers strive to overcome this climatic handicap of changeable weather in the working seasons by hustling the crop—seeding operations and speeding-up the harvesting operations. Hence the call for exceedingly rapid farm machinery, such as the mammoth seeder that seeds 80 acres a day, and the reaper-harvester that saves weeks of labor to the big farm owner.

Increased Business for Company

A natural corollary of this farmer demand is the increased production and sales of large machines by the implement manufacturers; and the increased usage of tractors to haul these huge new machines. To meet this demand for mechanical horses, that neither tire during labor hours nor need any rest at all from dawn till dark, the Massey-Harris Co. recently acquired the assets of the J. I. Case Plow Co. After examination of this company's product and profit possibilities for more than a year, Massey-Harris finally acquired the company's plants a couple of months ago; and already operations have been so increased as to assure of double last year's production of tractors in 1928, with a probable redoubling of this output in 1929.

Foreign Business Steady

Foreign business of the Massey-Harris Co. is also going forward at a satisfactory rate. The Cologne and Lille plants of the company are in production; and another new four-storey plant under construction at Lille will be completed and equipped to manufacture binders by the 1st of July. German business is steadily increasing, with earnings running along satisfactorily. Volume of French business is slightly less, the stabilization of the franc having the tendency to turn French farm funds into savings banks rather than new equipment. But this business, too, is coming along nicely, and there will be plenty of business for the new plant.

Massey-Harris sales in the United States are also satisfactory for the first five months of this year; and, in fact, throughout the world where this company's products are marketed there has been a satisfactory gain in business this year over last.

Collections Satisfactory

Perhaps the most satisfying side of the picture is the actual financial condition of the company's business. Collections on Canadian business have been particularly good this year; and it would appear that the Canadian farmer is in an unusually sound economic position. Company losses have been low; and the Canadian farmer is stated to be much sounder financially than his neighbor across the border in the United States.

The company's receivables in Canada are now down to a minimum; are, in fact, only a quarter of what they were in 1921, pro rata of business. They are also stated to be considerably less than last year! and with the earlier and larger seeding operations this spring, it can be reasonably expected that receivables at year end will maintain a low ratio.

Viewed from all angles the outlook for Massey-Harris earnings this year are quite bright. Sales for first five months of the year are sufficiently above usual to augur well for the remaining seven months; collections are good, and the increased demand for reaper-harvester combines, tractors, and larger farm machines assurés the company of a continuous supply of orders for its various products, including the essential tractor, now an integral part of the company's business.

Dominion Stores Sales This Year Grow by $6,000,000

Dominion Store gross sales for the first four months of 1928 indicate that the gross for the year will be in excess of $25,000,000. Dominion Stores in the current year does not intend to open many new stores, so that the ratio of profit to sales probably will be higher than in previous years. Last year gross sales were $19,280,000, the profit per dollar of sales was 2.7 cents, and the profit per share was $6.44.

It is stated on good authority that the new competition in the chain-grocery field is not affecting sales of Dominion Stores adversely.

Excavation for the $600,000 building of the T. Eaton Co. retail store at Saskatoon has been completed. Three stories are being built now, but the complete plans call for further stories and the expenditure of $1,100,000.

R.M. Harcourt & Co.

MEMBERS Toronto Stock Exchange

Stocks
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Investment Securities

23 Melinda Street, Toronto
Elgin 1362

R. M. HARCOURT
A. G. POUPORE
C. E. SINCLAIR

Abitibi Power & Paper Company Ltd.
6%
Cumulative Preferred Stock

Dividends Payable 20th January, April, July and October

The annual combined output of newsprint paper of this and controlled companies is 650,000 tons. Developed water-powers aggregate 200,000 H.P.

Earnings available for dividends on this Preferred Stock are over three (3) times interest requirements.

PRICE: $102 per share

BARRETT & WOOD LIMITED
INVESTMENT SECURITIES
120 St. James Street — MONTREAL

CANADIAN GUARANTY TRUST CO.

Acts as Executor, Administrator, Trustee, Guardian, Agent and in any other Fiduciary capacity.

Official Administrator for the Northern Judicial District in Manitoba and for the Swift Current Judicial District in Saskatchewan.

Head Office: BRANDON, MAN. — Branch Office: Swift Current, Sask. — JOHN R. LITTLE, Managing Director

BANK OF MONTREAL

Statement of the result of the business of the Bank for the half year ended 30th April, 1928

Balance of Profit and Loss Account, 31st October, 1927		$ 154,799.31
Profits for the half year ended 30th April, 1928, after deducting charges of management, and making full provision for all bad and doubtful debts		2,994,901.01
		$3,149,700.32
Quarterly Dividend 3 per cent. paid 1st March, 1928	$897,501.00	
Quarterly Dividend 3 per cent. payable 1st June, 1928	897,501.00	
	$1,795,002.00	
Provision for Taxes Dominion Government	199,583.50	
Reservation for Bank Premises	400,000.00	
		2,394,585.50
Balance of Profit and Loss carried forward		$ 755,114.82

GENERAL STATEMENT, 30th APRIL, 1928

LIABILITIES

Capital Stock		$ 29,916,700.00
Rest	$ 30,916,700.00	
Balance of Profits carried forward	755,114.82	
	$ 31,671,814.82	
Unclaimed Dividends	7,741.07	
Quarterly Dividend, payable 1st June, 1928	897,501.00	
		32,577,056.89
		$ 62,493,756.89
Notes of the Bank in circulation	$ 42,644,638.50	
Deposits not bearing interest	143,773,753.47	
Deposits bearing interest, including interest accrued to date of statement	592,576,433.15	
Deposits made by and Balances due to other Banks in Canada	2,094,559.41	
Balances due to Banks and Banking Correspondents elsewhere than in Canada	7,962,753.22	
Bills Payable	362,709.06	
		789,414,846.81
Letters of Credit outstanding		14,869,901.45
Liabilities not included in the foregoing		1,409,111.39
		$868,187,616.54

ASSETS

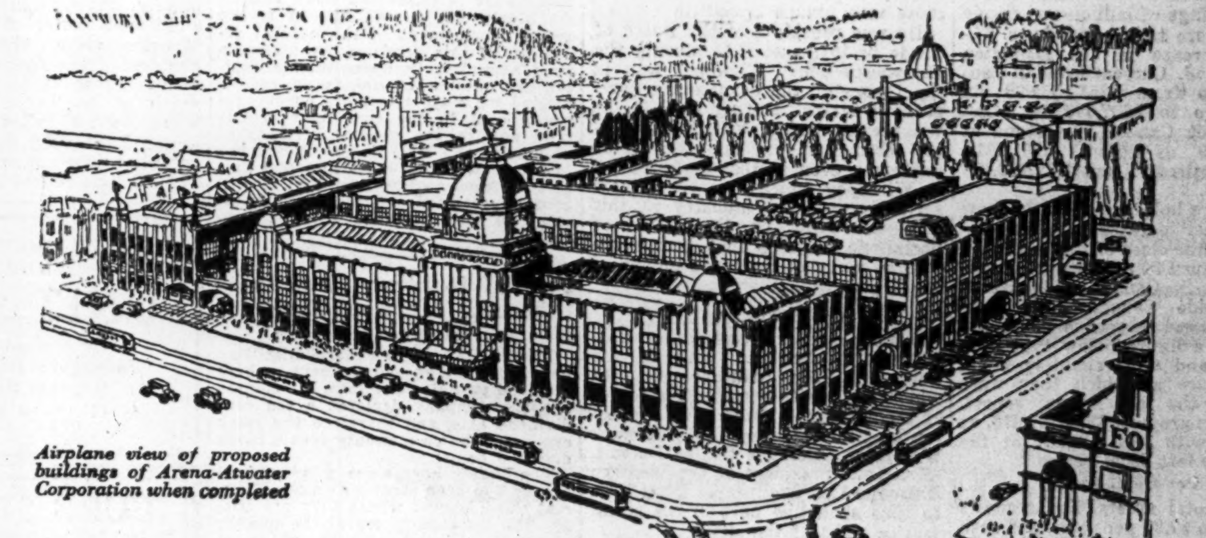
Gold and Subsidiary coin current		$ 33,608,833.18	
Dominion notes		57,542,634.25	
Deposit in the Central Gold Reserves		19,000,000.00	
Deposits made with and Balances due from other Banks in Canada	$ 48,393.13		
Balances due by Banks and Banking Correspondents elsewhere than in Canada	9,332,374.93		
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks, and other securities of a sufficient marketable value to cover	40,824,791.27		
Call and Short (not exceeding thirty days) Loans in Great Britain and United States, on Bonds, Debentures and Stocks, and other securities of a sufficient marketable value to cover	117,249,189.40		
		167,454,748.73	
Dominion and Provincial Government Securities not exceeding market value		81,642,520.91	
Railway and other Bonds, Debentures and Stocks not exceeding market value		6,929,569.35	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian not exceeding market value		42,353,736.04	
Notes of other Banks		4,036,625.00	
United States and other foreign currencies		789,504.69	
Cheques on other Banks		39,506,244.58	
			$452,864,416.73
Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		$297,609,586.71	
Loans to Cities, Towns, Municipalities and School Districts		25,076,930.59	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		57,580,519.36	
Non-current Loans, estimated loss provided for		2,073,854.04	
			382,340,890.70
Bank Premises at not more than cost (less amounts written off)			11,550,000.00
Real Estate other than Bank Premises			658,990.45
Mortgages on Real Estate sold by the Bank			1,156,016.19
Liabilities of Customers under Letters of Credit (as per Contra)			14,869,901.45
Deposit with the Minister for the purposes of the Circulation Fund			1,463,197.60
Shares of and loans to controlled companies			2,801,441.26
Other Assets not included in the foregoing			482,762.16
			$868,187,616.54

NOTE.—The business of the Bank in Paris, France, and in San Francisco, U.S.A. is carried on under the name of local incorporated companies and the figures are incorporated in the above General Statement.

NOTE.—Bonds of the Merchants Realty Corporation to the extent of $2,104,000.00, secured on premises leased to the Bank, are in the hands of the public. These bonds do not appear in the above Statement as the Bank is not directly liable therefor.

VINCENT MEREDITH,
Chairman of the Board.

CHARLES B. GORDON, President. — FREDERICK WILLIAMS-TAYLOR, General Manager.



Airplane view of proposed buildings of Arena-Atwater Corporation when completed

NEW ISSUE

55,000 Shares

Arena-Atwater Corporation

No Par Value Common Stock

Registrar and Transfer Agents: Quebec Savings and Trust Co. Bankers: The Royal Bank of Canada.
Auditors: Sharp, Milne & Company.

CAPITALIZATION

	Authorized	To be Issued
Common Stock (No Par Value)	100,000	80,000 shares

We summarize the letter of Mr. T. H. Higginson, President of the Corporation, dated May 14th, 1928, as follows:

The trend of general retail trade, and particularly the automobile business of Montreal to establish itself on St. Catherine Street West, has been most marked in the past two years. There has been an increasing demand among the Motor dealers for a new automobile centre in the vicinity of Atwater Avenue and St. Catherine Street West, lying between the uptown retail district and the great West End residential districts of Westmount, Notre Dame de Grace and Montreal West.

PURPOSE OF ISSUE—The Corporation is issuing 80,000 shares of its capital stock, of which 25,000 shares are being used on account of purchase of properties and contract for buildings and equipment—the balance (this issue) is offered for public subscription to provide funds to complete purchase of properties, additional construction cost, to reimburse temporary financing and for working capital.

CORPORATION AND ITS BUSINESS—The Arena-Atwater Corporation is incorporated under the Quebec Companies' Act, for the purpose of acquiring and developing a large block of real estate in the Uptown Retail District. This development comprises the property formerly known as the Montreal Baseball Park with street frontages on St. Catherine Street West, Atwater and Western Avenues, lying partly in the City of Westmount and partly in the City of Montreal, and the property known as the Arena Garage (a modern fireproof three-storey building) at the corner of St. Catherine Street West and Wood Avenue, Westmount, together with the apartment house site in rear, being the corner of Wood Avenue and Western Avenue, Westmount. The combined properties have an area of 291,922 square feet, and have four street frontages totalling over 2,300 feet. The building programme to be carried out includes alterations and additions to increase the capacity of the present Arena Garage to 400 cars; a building to be known as Motor Industries Building on the St. Catherine Street frontage, with stores and showrooms on the ground floor, and with two floors of rentable space above, to be used for special show purposes, such as the Annual Motor Show; stores and showrooms on Atwater Avenue; a 400-car garage and service buildings on the interior of the lot, with central heating plant at the rear of this building; two outside filling stations, and on the Western Avenue front four apartment house units to comprise approximately 330 apartments. All buildings will be of latest design, and fireproof construction throughout.

SECURITY—Valuation of the Corporation's properties and assets, when completely developed (as per appraisals), will total $6,380,571. The additional capital necessary to finance this complete development is being supplied by a bond issue and mortgages totalling $3,500,000. The stock presently being issued therefore has a total equity of $2,880,571, or equal to over $36.00 per share for the 80,000 shares to be outstanding.

EARNINGS—The Corporation is taking over the successful garage and service business of the Montreal Arena Company (established in 1898) which has profitably operated the Arena Garage since 1922. Gross earnings for the Corporation's Garage business, service departments, and rentals from Motor Industries Building; Atwater Avenue showrooms and from apartment house units, after making allowance of 10% for vacancies on all rentals, are conservatively estimated at approximately $744,870, less operating cost, bond and mortgage interest estimated at $341,460. This will leave net earnings, before depreciation and Federal Income Tax, of $403,410, or equal to about $5.04 per share of Common Stock.

MANAGEMENT—The Corporation will retain the services of the present organization and staff of the Arena Garage, which have proved themselves to be one of the most efficient in the City of Montreal. Mr. R. W. Scurrah, who has been managing this garage and service business since its inception in 1922, will continue to direct this end of the Corporation's business. Mr. H. R. Wilson, who becomes Managing Director of the Corporation, is one of the best known and most experienced automobile men in Eastern Canada.

BOARD OF DIRECTORS—President: T. H. Higginson, Managing Director, Automatic Sprinkler Co. of Canada, Limited. Vice-President and Managing Director: H. Russell Wilson, Franklin Motors, Limited. Directors: C. Franklin Dale, President Fassett Lumber Corporation, Limited; D. S. Whittall, Vice-President A. R. Whittall Can Co. Limited; George K. Beddoe, Managing Director, Congoleum Canada, Limited. Secretary-Treasurer: Thomas Mitchell, Manager Province Quebec, Gurney Scale Co. Service Manager: Robert W. Scurrah.

LEGALITY—All legal matters in connection with this issue have been passed upon and approved by Messrs. Laverty & Hale, Solicitors, Montreal, and the formalities required under the Securities Sales Act have been complied with. The Title to the property will be guaranteed by The Title Guarantee & Trust Corporation of Canada.

We offer these shares, subject to prior sale, for delivery if, as and when issued and received by us, and subject to the approval of all proceedings by counsel.

PRICE: $25.00 PER SHARE

Application will be made to list these shares on the Montreal Curb Market

STOWELL & COMPANY, LIMITED
WATERMAN BUILDING
261 ST. JAMES STREET :: MONTREAL

Statements contained in this advertisement, while not guaranteed by us, are based upon information which we believe to be reliable.

MONTREAL BANK HAS LARGE GAIN IN ITS DEPOSITS

Half Yearly Report Shows Growth in Profits and Assets

From Our Own Correspondent

MONTREAL.—The half yearly report of the Bank of Montreal is an encouraging exhibit from the viewpoint of the shareholders and as evidence of the steady growth in business generally throughout the Dominion. There has been a notable gain in the interest bearing deposits of the bank during the past six months and a gain also in the earnings.

The profits for the six months' period were substantially greater than during the corresponding period of a year ago, and proportionately larger than for the full fiscal year of the bank which ended October 31 last.

Larger Savings Deposits

The comparison of the balance sheet as at April 30 last with preceding reports, shows that interest bearing deposits now total $594,576,433 as against $539,166,918 six months ago, and $510,848,016 a year ago. Non-interest bearing deposits have declined from $161,000,000 to approximately $144,000,000 during the past six months. As against a year ago, though, non-interest bearing deposits are up by $7,000,000.

The decline in non-interest bearing deposits is due apparently to the expansion of business generally throughout the Dominion. This is further reflected in the current loans of the bank of Canada which now amount to $297,609,586 as against $255,155,693 six months ago, and $249,470,228 a year ago.

Strong Cash Position

There has been a decline in the bank's holdings of bullion and specie which is more than offset by a $7,000,000 increase in the Dominion notes on hand. Current loans in Canada are up from $255,155,693 six months ago to $297,609,586. Call loans outside Canada now stand at $117,249,189, as against $151,381,604 six months ago, and $132,790,128 a year ago.

The bank's holdings of bonds show a substantial increase both as compared with the close of its fiscal year and as at April 30 a year ago. Municipal loans in Canada and current loans outside Canada both show large increases. Overdue debts are carried at a figure below that of a year ago and approximately equal to the figure at which they were carried in the last annual report. Total assets are now $868,187,616, as compared with $831,548,967 at the close of the last fiscal year.

57 Per Cent. Liquid

Of the total assets, liquid assets are equal to 57.37 per cent., and cash holdings are equivalent to 14 per cent. of the total liabilities to the public.

The bank's profit and loss statement, which follows, shows the increased earnings following the larger business handled by the bank:

	—6 Mos. end. April— 1928	1927	Year end. Oct. 31, 1927
Profits	$2,994,901	$2,780,660	$5,299,887
Govt. tax	199,583	199,583	374,167
Bal.	$2,795,318	$2,581,077	$4,925,720
Divid.	1,795,002	1,795,002	4,188,338
Bal.	$1,000,316	$ 786,075	$ 737,382
Prev. bal.	154,799	767,416	767,416
Total	$1,155,115	$1,553,491	$1,504,798
Res. for prem.	400,000	250,000	350,000
Bal.	$ 755,115	$1,303,491	$1,154,798
Trans. to rest	......	......	1,000,000
Profit and loss balance	$ 755,115	$1,303,491	$ 154,798

SYDNEY IS FORBID TO ALTER S.F. TRUST

So Nova Scotia Trust Company Does Not Get Investment After All

From Our Own Correspondent

SYDNEY.—The Nova Scotia Trust is not to get the sinking fund investment business of the city of Sydney after all. About five years ago Sydney entered into an agreement with the Montreal Trust for investment and handling of these funds, roughly about $1,000,000, by which the city was guaranteed a return of five per cent.

Recently the contract expired, and the Montreal Trust notified the city that it could not renew the guarantee, the rate being too high. The city thereupon called for tenders and accepted that of the Nova Scotia Trust.

Before the deal could be put through, however, F. F. Mathers, deputy attorney-general, in his capacity as provincial commissioner of municipal taxation, forbade the transaction. He ruled that once a trust of this kind has been entered into by the city it cannot be broken, and the business must remain with the Montreal Trust.

The aldermen were inclined to resent this as too high-handed and an infringement upon local autonomy rights. They held that at least if the city is compelled to deal with only one institution there should be a compensating obligation upon the trust as to the rate it shall pay the city.

Mayor McConnell, however, pointed out that while the authority of the commissioner may at odd times appear somewhat galling, in the long run the city gains substantially and is saved a lot of trouble and expense by the arrangement.

Said His Worship: "The legislature gives this power to Mr. Mathers, and when he puts his o.k. on a City of Sydney bond issue it ipso facto becomes legal and good, and we do not have to bother consulting any other lawyers or worrying about it at all."

Sell New Cereal

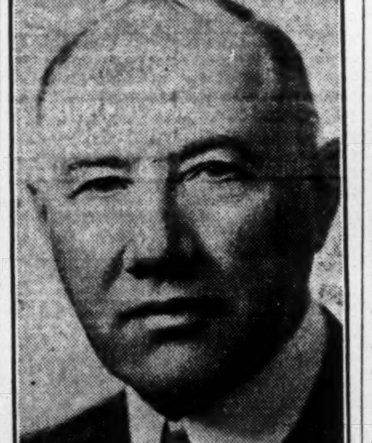
The Maple Leaf Milling Company announces its purchase of the rights to manufacture, sell and distribute, both east and west, the product known as "Red River Cereal," which formerly was manufactured and handled by the Red River Grain Co., Winnipeg, which company recently sold its elevator in Winnipeg to the Manitoba wheat pool.

Carter, Builder of West, Slashes Out at Socialism in Taking Up Big Work

Head of Carter-Halls-Aldinger Heads Development Board

INDUSTRY IS BASE

Sees Key to Western Wealth in Growth of Industrial Units in City of Winnipeg



W. H. CARTER

WINNIPEG.—"Wherever Socialism appears, unemployment appears also. They are twin evils, and they increase in exact proportion, the same ratio, one with the other."

These were the words of William H. Carter, pronounced on the occasion of his election the other day as chairman of the Industrial Development Board of Manitoba. He was discussing the progress of the West and the fact that Winnipeg, which has had more than its share of socialistic talk, had also had more than its share of unemployment.

He is the president of the Carter-Halls-Aldinger Company, engineers and builders, and incidentally of a large number of other industrial organizations. Mr. Carter is one of the outstanding figures in the world of achievement through Western Canada and likes to boast that "I got into the building business through the pick and shovel route."

Disturbing Influence of Socialism

That is literally true and in a measure accounts for his successful operation of one of the largest building concerns on the continent. And Mr. Carter has been in a position for years that enables him to speak as an authority on the disturbing influence in business exercised by those who preach Socialism.

He was president of the Board of Trade in 1918 and 1919, during the six weeks when Winnipeg was in the throes of the devastating sympathetic strike. During 1910-11, he was president of the Winnipeg Builders' Exchange and saw the clouds gathering even at that early period in Winnipeg which nine years later seriously menaced industry in this city—the fruit of the wave of Socialistic doctrine that had saturated so many of the trade unions of the West.

Busy, But Not Too Busy

Among other companies Mr. Carter is identified with is the Sovereign Life Insurance Co., of which he is vice-president; director of the Winnipeg Electric Co.; director Manitoba Jockey Club; director Walbridge, Aldinger Co., of Detroit, Mich.; and president of the Western Drainage Co., and yet he finds time to take an active part in the social service clubs of the city.

It was this fondness for service that caused the Masons of Khartum Temple, Nobles of the Mystic Shrine to elect him Potentate last year. For many years Mr. Carter has been a prominent factor in Masonic circles of the Dominion and has held numerous offices in the various branches.

But, as a golf player, his friends assert he is an excellent horseman. In other words, he is an indifferent golfer, but a really fine rider, where he finds much of his exercise and diversion.

Winnipeg Advances Industrially

In accepting the chairmanship of the Industrial Development Board Mr. Carter took occasion to remark that 56 new industries were established in Winnipeg during 1927, 64 companies extended their factories and 30 companies added new lines while 47 are at presen' contemplating additions to factories. The average increase in production during 1927 in Greater Winnipeg, the new chairman observed, was over 20 per cent. He said further:

"This was the primary purpose for which this board was formed—the extension of industry and the prospects confronting us to-day were never so promising. Under the circumstances it is a disturbing situation that we find some influences in the community doing everything in their power to clog the wheels of progress.

"Such an attitude can not fail to have a deterring effect upon the investment of private capital in Manitoba industries and thus to retard the general prosperity of the province. If such socialistic policies are permitted to govern the trend of development in this province then it is high time the business men of Winnipeg, who have the real interests of the city at heart, realize that such a policy will do more to keep industries out of Manitoba than any other thing.

"We have seen much Socialistic activity in Winnipeg during the last decade and heard much talk of it. The unemployed and the unfortunate have been made the dupes of unscrupulous and self-seeking demagogues. Could there be any more striking evidence of it than that, Winnipeg, which has had more Socialistic activity than other cities of the Dominion, has also had more unemployment than other cities?

"Industry alone will solve our Western social problem and we will not get the industries we need until our trustworthiness and safety as a field for investment is impressed upon outside manufacturers. If we are to secure sound development of the natural resources of this province, we must depend very largely upon outside capital. If outside capital is to be attracted we must give more encouragement to it in the enactment of our laws and in the general attitude of provincial and civic bodies toward the investor. We must make him feel that he is welcome to Manitoba, that he will be fairly treated and that his investment in this province will be protected."

Federal Distillery Declares Second Ten Cent Dividend

From Our Own Correspondent

MONTREAL.—The Federal Distillery has declared a second ten cent a share dividend payable June 15th. Six months ago the company declared a ten cent dividend also, and therefore the stock appears to be on a twenty cent a share dividend basis.

The shares have since this dividend declaration been stronger on the Montreal Curb Market where they are listed. The company is one of the smaller distilleries operating in the Montreal district. Some of its products are listed as sold through the Quebec Liquor Commission. The plant has a capacity of 6,000 gallons a week of denatured and potable alcohol and whiskey.

SHAWINIGAN PLAN IS TO USE STOCK IN ITS EXPANSION

Larger Share Capital Will Permit Acquisition of Laurentide Power

From Our Own Correspondent

MONTREAL.—The shareholders of the Shawinigan Water and Power Company are to meet shortly to authorize an increase in the capital stock from 1,600,000 shares of no par value to 2,600,000 shares. Probably the immediate need for a larger authorized common stock capitalization lies in the fact that the plan for the acquisition of the Laurentide Power Company is nearing a successful conclusion. The Laurentide Power Company acquisition will be carried out without cash payments. The Laurentide power shareholders will receive Shawinigan securities in exchange for their stock.

Last February, the shareholders of Shawinigan authorized an increase in the capital stock from 1,200,000 to 1,600,000 shares. Of the additional stock authorized, 70,800 shares went to the St. Maurice Power Company shareholders in exchange for their holdings. An additional 317,700 shares were recently offered to the shareholders at $50 a share. The total outstanding stock of Shawinigan is now 1,588,500 shares.

May Receive Three For One

The Laurentide Power Company has outstanding 105,000 shares of $100 par value. Should the Laurentide Power shareholders receive three shares of Shawinigan for every share presently held, Shawinigan would have to issue an additional 315,000 shares to pay for the acquisition of the property.

The increase of 1,000,000 shares in the authorized capitalization would not, of course, be issued immediately, but would be held in the treasury to provide for future financing. Ultimately, Shawinigan will develop the additional power sites on the St. Maurice river which it recently acquired from the Quebec government. These three power sites lie north of La Tuque reaching to a point about 75 miles north of Shawinigan Falls. The three sites have a potential development amounting to 172,000 h.p., 85,000 h.p., 50,000 h.p., making a total of some 307,000 horsepower in all.

No Construction Shortly

It is probable that construction work on the developments will not be undertaken immediately for the company's contract with the provincial government calls for construction to begin by July, 1930, and for 100,000 horsepower to be developed within the following three years. It will be some time yet, though, before all the details of the contract between the company and the provincial government are worked out.

The market's valuation of Shawinigan has appreciated tremendously over the past few years. In 1923 the market value of the equity in the company was about $25,000,000. At the present time, the market values the equity in Shawinigan at about $160,000,000. Five years ago, Shawinigan's funded debt was around $20,000,000, while to-day it amounts to $45,000,000. In brief the company is now valued at about 400 per cent. of the 1923 valuation placed on the assets by the market.

However, the increase is not due solely to the market buoyancy of the shares. During the past five years Shawinigan has increased its assets materially and the larger part of the appreciation has been due to the expansion of the company's operations in acquiring new subsidiaries, taking over partly owned properties and in increasing the equity of the common shareholders in subsidiaries such as the Quebec Power Company.

Charles Gurd's Stock Split Likely Next Fall

From Our Own Correspondent

MONTREAL.—While plans for carrying out the splitting of the Charles Gurd and Company's shares on a two for one basis have not been definitely settled, Financial Counsel says that it is likely to take place early in the autumn. Reports of the company's operation indicate that there has been a steady gain in profits over last year; moreover, it is said that when the stock is split, the new shares will pay the same dividends as the present stock, namely, $2 per annum. Should the company pay the same dividend on the split shares as on the stock presently outstanding, it would mean that a total dividend disbursement of $120,000 a year as against the present dividend requirement of $60,000. This would indicate an unusually profitable purchase for the shareholders who bought the original 22,750 shares just over a year ago at $28 a share.

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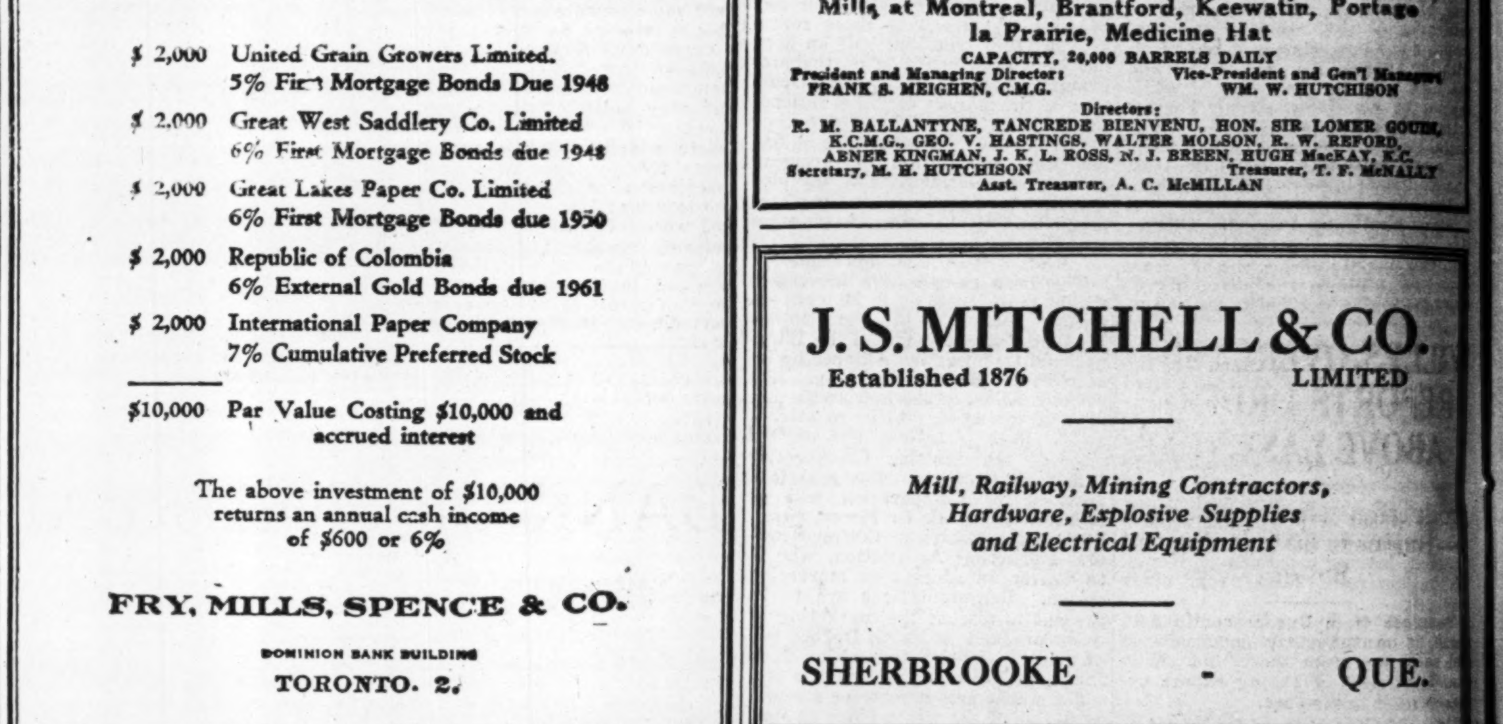

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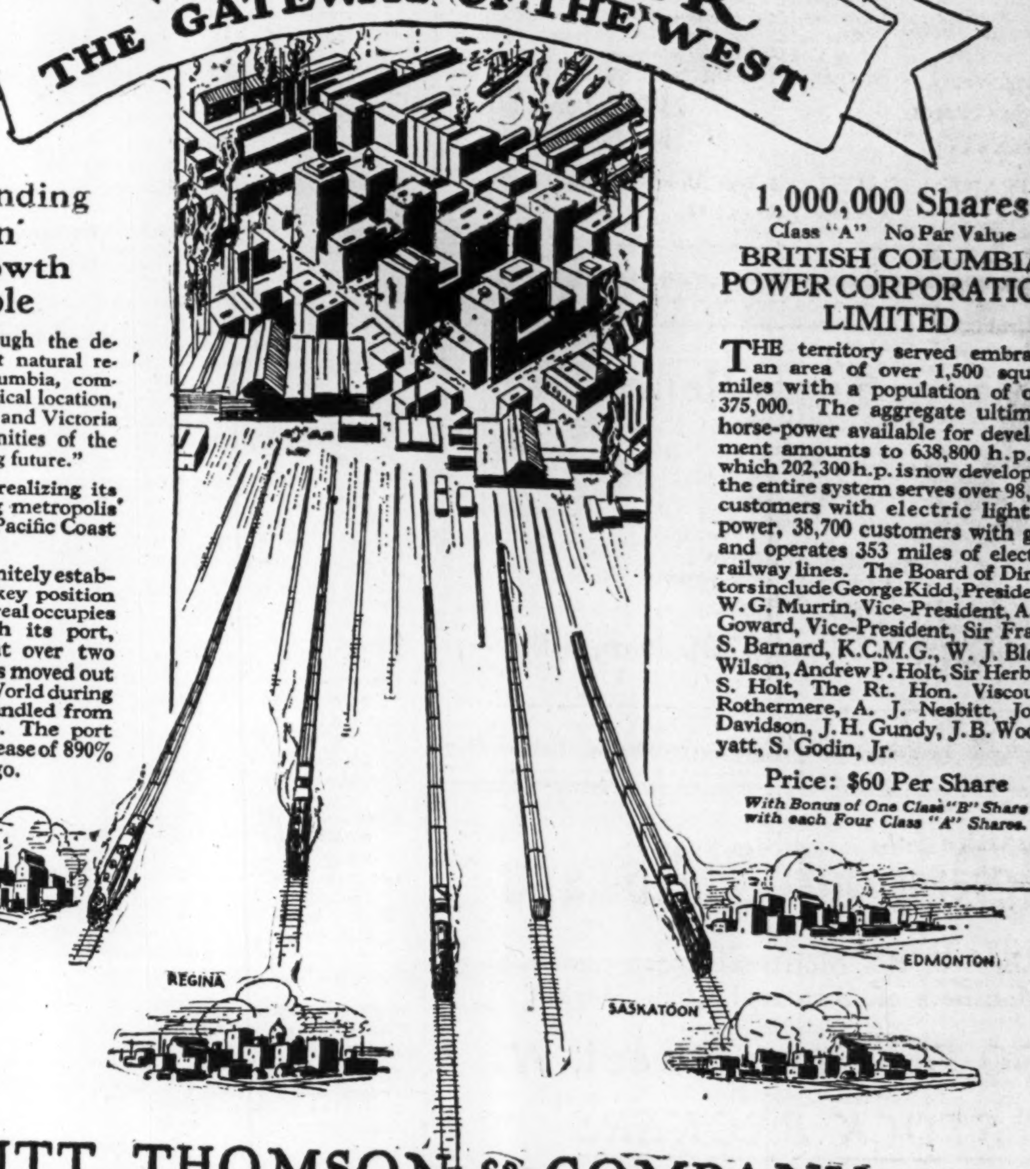
"We believe that through the development of the great natural resources of British Columbia, combined with its geographical location, the cities of Vancouver and Victoria and the other communities of the Pacific have a promising future."

Vancouver is already realizing its destiny as the thriving metropolis of the fast developing Pacific Coast of Canada.

The Panama Canal definitely established it in the same key position on the West that Montreal occupies on the East. Through its port, merchandise valued at over two hundred million dollars moved out to the markets of the World during 1926. Imports were handled from forty-four countries. The port revenue showed an increase of 890% over that of six years ago.



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THE territory served embraces an area of over 1,500 square miles with a population of over 375,000. The aggregate ultimate horse-power available for development amounts to 638,800 h.p. of which 202,300 h.p. is now developed; the entire system serves over 98,000 customers with electric light or power, 38,700 customers with gas, and operates 353 miles of electric railway lines. The Board of Directors include George Kidd, President, W. G. Murrin, Vice-President, A. T. Goward, Vice-President, Sir Frank S. Barnard, K.C.M.G., W. J. Blake Wilson, Andrew P. Holt, Sir Herbert S. Holt, The Rt. Hon. Viscount Rothermere, A. J. Nesbitt, John Davidson, J. H. Gundy, J. B. Woodyatt, S. Godin, Jr.

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LOAN CONFERENCES BOUND TO BENEFIT ALTA. BORROWERS

Premier Brownlee Announces Wide Scope to Financial Inquiry

Thorough and comprehensive review of mortgage, loan, insurance and other financial laws now on the statute books of the Province of Alberta and comparison with similar laws in force in the rest of Canada, is scheduled for the programme of the forthcoming government conference with financial interests to be held at Edmonton about the middle of June. Premier Brownlee states that a careful examination of laws affecting all financial interests in the province is being made, and that these laws are being compared item by item with similar legislation in effect in the other provinces of Canada. It is the intention of the Premier to make this conference as broad and comprehensive as possible, and all interests concerned, including boards of trade, loan, trust and mortgage companies, will be asked to attend and discuss freely fiduciary laws at present in existence.

Considerable satisfaction has been expressed by loan company officials at the willingness of the Premier to place under review the various matters of legislation that have disturbed financial interests for some time past; and much good is expected to result from this conference. John Appleton, secretary of the Dominion Mortgage and Loan Association has recently returned from an extensive tour of the west, and will likely be returning to Edmonton later this month for these special conferences with the government. He states that the loan companies do not take exception to all of the legislative enactments recently quoted in The Financial Post, but only such enactments as seem definitely detrimental to loan contracts. He expects that the forthcoming conference will go far towards clarifying the whole situation, and bring loan legislation in the Province of Alberta more in line with the practice followed in the other provinces of Canada.

WILLYS-OVERLAND REPORTS ORDERS ABOVE LAST YEAR

Production Near Capacity —Business 30 Per Cent. Better

Business of Willys-Overland, Toronto, is unusually strong this year, and sales are more than 30 per cent. ahead of last year, according to president T. A. Russell. While the season opened very late in April and May orders were so heavy as to cause considerable congestion, with the result that it has not been possible to keep up with orders which have piled up in the past two months. The company's plants are working near capacity production; and while the profit margin per unit is smaller than usual, the turnover is considerably greater due to increase in sales.

According to Mr. Russell the outlook is for continued activity; and prospects seem good for a much stronger business than is usual in the summer months.

McColl-Frontenac Acquire Warehouse Site in Saskatoon

From Our Own Correspondent

MONTREAL.—Further extension of the activities of McColl-Frontenac is to be seen in the announcement that the company has acquired a site in Saskatoon upon which will be constructed an oil warehouse.

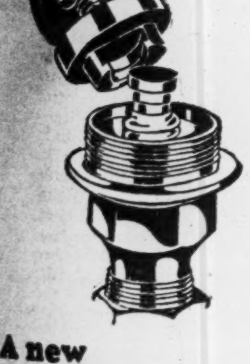
Only recently the company announced that it had plans under way for the trebling of the capacity of the Montreal refinery.

At present McColl-Frontenac has refineries at Toronto and Montreal and plants at Winnipeg, Vancouver, Regina, Calgary. In addition, the company has a large number of distributing stations in Quebec, Ontario and the Western provinces.

Transplant Trout Fry

A shipment of 2,250,000 trout fry from the Port Arthur hatchery for planting in Lake Nipigon the other day, was the largest shipment that has ever been made to that lake.

In the service of industry



A new Fairbanks Globe Valve plus all the old advantages

Although in the new Fairbanks Globe Valve the new disc holder with new renewable disc may be replaced in a jiffy, all the old advantages that have made Fairbanks valves famous for long and trouble-free service have been maintained — the best of bronze, more threads always engaged in the bonnet, rounded seat to prevent lodging of sediment and to ensure perfect contact.

The CANADIAN Fairbanks-Morse COMPANY Limited 149

St. John, Quebec, Montreal, Ottawa, Toronto, Windsor, Winnipeg, Regina, Calgary, Vancouver, Victoria

On Montreal Curb

E. McLEOD DUNCAN, who has been elected a member of the Montreal Curb Market. Mr. Duncan is a partner in the firm of Roberts, Cameron & Co. This firm, which has been established for a number of years, deals in high grade bonds and investment securities.

NATIONAL BRICK'S CURRENT POSITION CONSIDERED GOOD

New Business Keeps Plants Operating at Better Level

From Our Own Correspondent

MONTREAL. — Current business of the National Brick Co. is understood to be better than that at the corresponding time last year. The amount of new building being undertaken in Quebec and the eastern provinces and the consequent increased demand for structural products, particularly brick, has resulted in the company receiving a number of substantial orders.

Although the company has not paid anything on its common stock since 1914, its financial position in the past seven years has shown some improvement. Back in 1922 National Brick reported an operating loss of $87,637. This was wiped out in the following year and since then a fair increase has been recorded each year.

The present outlook for the company is considered to be better. Much will depend upon new building, but competent opinion is that there will be no let-up for the next two or three years. In that event National Brick's operations should continue to show some growth.

Investment interest in the company has been more active of late. The 6 per cent. cumulative preferred stock is now selling in the vicinity of 70. This returns a yield of about 8.5 per cent. The common is quoted at a few dollars per share.

H. B. Thomson Adds Mines to Long List of Activities in Which He Has Engaged

"What's he up to now?" asked the friends of H. B. Thomson a while ago, when they heard that he and some of his associates were organizing a company to take over the old Ladysmith smelter and put new life into a dozen or so all but abandoned mines.

No wonder they wondered, for H. B. Thomson has been in and out of so many big business affairs during his unusually active career in British Columbia and elsewhere that it seemed as though there was no other field left in which he had not already pioneered.

Now, to the long list of industries associated with the multi-phased career of "H. B." must also be added another—mining and smelting. And yet this latest alliance of man and materials is not an entirely new one for him. Perhaps, in getting behind Pacific Tidewater Smelters, Ltd., and its subsidiary enterprises, "H. B.", whose business life has practically run the gamut of all legitimate commercial endeavor, is merely returning to the old love.

First Contact With Mines

So declares "C.L.S." in the Financial News, of Vancouver. This writer points out that years ago, as a raw youth fighting his way in a province that was in the making, he first came in contact with the mining fraternity and their work. He was an assayist for a while and tackled many menial tasks as well, in connection with the business of recovering wealth from the ground; and while the course of his career subsequently drew him away from the mines and filled his thoughts with other things, his heart still lingered there and now that he is back again in the field he loves so well he is not only on familiar ground but supremely happy.

Recently Mr. Thomson outlined some of his plans in picking up his old contact with the mining world. He recalled that before the war much of the ore in the old Vancouver Island mines was wasted and that the values could not be recovered economically. But now, instead of flotation by fire in a smelter, it was possible to treat the ore by the new mechanical means of flotation processes, which would give high recoveries at low cost. Such opportunities, he said, would certainly bring a return of mining prosperity to the British Columbia coast. Mr. Thomson counts himself fortunate as being in a position to assist in hastening these better conditions and when the smelter actually gets down to business again one of his most cherished hopes will attain reality.

Son of Army Captain

Mr. Thomson was born in County Down, Ireland, in 1870, his father being a captain in the British army with a service record that included the Indian mutiny and the Crimean war.

After four years in a London shipping office, he came to Canada.

He was 23 when he reached British Columbia and for a couple of years he turned to odd jobs to keep him in funds and to familiarize himself with conditions. His industry attracted the attention of the Hon. J. H. Turner, a former premier of British Columbia, and he was offered a position as manager of the Nelson branch of Turner, Beeton & Company, wholesale dry goods merchants and one of the oldest established firms in the province. Thomson's period of service in the Kootenay country was when mining excitement was at its height and it was then that he made his first acquaintance with mining, and made the friendship that only recently has been renewed. He made good, helped to build the business of his firm tremendously and when Mr. Turner was called away to London to act as British Columbia's agent-general in the Empire's metropolis, Thomson was recalled and given the position of manager of the company's ever-increasing business throughout the province. In 1902, when the firm was incorporated, Mr. Thomson became managing-director, and he still holds a position on the board.

More Business Man Than Politician

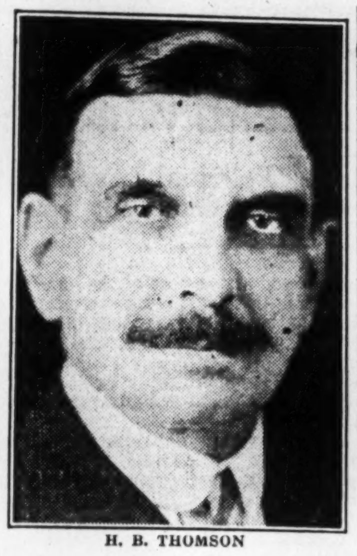
Following the example of his old boss, Mr. Thomson turned to politics. Already he had gained a reputation for business acumen and the people of Victoria thought so well of him that he was elected to the provincial legislature as one of the four Conservative members in 1907 and re-elected in 1909 and 1912. He was the party whip during the last few years.

Thomson was always more of a business man than a politician. He was a trifle too blunt and practical to shine as an orator, for he invariably said what he thought and the successful politician often is confronted with situations where it is the part of wisdom to compromise a bit in his public utterances. Thomson preferred to let the others do the talking "out front," while he helped to get things done in his quiet aggressive way backstage.

Chairman of Food Board

He retired from politics and became chairman of the Canada Food Board, regulating Canada's production and consumption of food.

For his work as chairman of the Canada Food Board, Thomson won the highest reputation for efficient public service and when the war was over new tasks were quickly assigned to him. He was made acting chairman of the Canadian Trade Commission to London in 1919 and in the following year tackled the stupendous job of straightening out the affairs of the Reid Newfoundland Company, following which he became a director of the Newfoundland Banking Trust Company, a concern which has since been an exceedingly important factor in interesting capital in hydroelectric and wood pulp resources of Newfoundland and in the organization of the Newfoundland Power & Paper Company. These affairs kept him busy in eastern Canada or in London until the last year or so, and latterly he has been making his headquarters in his old home town of Victoria.



H. B. THOMSON

A business man first and last and one of long vision, no one has a keener perception of the natural wealth of British Columbia, and no one is more eager to share in its development, says "C.L.S." of Mr. Thomson. His outlook, as shown by his career, is further than province-wide. He is the strongest and most practical sort of imperialist and believes in a British Empire united by the bonds of trade. That explains the interest he has taken recently in the organization of the Empire Marketing Board, which is sponsoring the interchange of merchandise produced within the various British commonwealths and dependencies.

High Waters Affect Pulp Mills Operations

From Our Own Correspondent

MONTREAL. — The Spanish River Pulp and Paper Mills plants at Espanola and Sturgeon Falls closed down for a few days last week due to the floods which inundated the mills. The water reached the highest point in 45 years.

The waters were high on the Ottawa River also and 150 men were compelled to stop work in the J. R. Booth and the E. B. Eddy Company plants last week.

According to C. H. L. Jones, vice-president of the Spanish River Pulp & Paper Mills, the cause of the excessive high water lies in the heavy rains last autumn, exceptionally heavy snow on the southern watershed with no real thaw during the winter and almost constant rains in April and a sudden break up in May.

IRON AND STEEL OUTPUT VALUES HIGHER FOR 1927

Nine of Thirteen Groups Show Gain Over 1926

From Our Own Correspondent

MONTREAL. — As indicated by preliminary monthly reports, production of iron and steel in Canada during 1927 was higher than in the previous year. According to a report prepared by the Bureau of Statistics, the value of output of the iron and steel industry last year was $515,971,000, an increase of 10.8 million dollars over the total for 1926 and the highest value shown for this group since 1920.

Plants in the iron and steel groups are classified in 13 industrial groups arranged according to the principal products made; 9 of these groups showed an increased output in 1927, while each of the remaining 4 reported a small decline.

Output value from the primary iron and steel advanced 8 per cent. to $44,578,000; machinery, 16 per cent. to $44,688,000; sheet metal products, 11 per cent. to $43,497,000; hardware and tools, 7 per cent. to $24,397,000; miscellaneous iron and steel production 12 per cent. to $12,259,000; auto supplies, 6 per cent. to $14,801,000; railway rolling stock, 0.6 per cent. to $73,170,000; agricultural implements, 1 per cent. to $38,655,000; and boilers, tanks and engines, 6 per cent. to $5,648,000.

Production from the automobile industry declined 4 per cent. to $128,700,000; wire and wire goods dropped 13 per cent. to $15,000,000; castings and forgings decreased 1 per cent. to $69,378,000; and the bicycle industry lost 18 per cent. to $1,194,471.

Capital Invested Higher

The industry as a whole now has 1,138 establishments in which the operating capital invested amounts to $627,388,000. Both of these items show an increase as compared with the preceding year. The corelated industries report purchased materials cost $263,576,215 and the value added by manufacturing was $252,395,000 during 1927.

External trade figures continue to show a preponderance of imports over exports. For last year imports of iron and steel and their products were valued at $248,151,000, as compared with $219,575,000 in 1926. United States supplied nearly 90 per cent., or $222,729,000 worth of the imports in this class; about 7 per cent., or $17,462,546 worth came from the United Kingdom.

Exports from Canada in 1927 reached a value of $67,831,000, as against $75,602,000 in 1926. The principal countries to which iron and steel goods were exported last year were the United States, United Kingdom, Argentina, Australia, British India, New Zealand, Brazil, France, Newfoundland, Denmark, Germany, and the Dutch East Indies.

New Ottawa Hotel

A new ten-storey hotel of 335 rooms with fireproof garage, capable of holding nearly 500 cars, is to be built at Ottawa, at a cost of over $2,000,000.

English Allotment of B.C. Power Issue Oversubscribed

From Our Own Correspondent

MONTREAL.—Cable advices received here from London, Eng., state that the allotment of British Columbia Power Corp. shares available for English investors has been heavily over-subscribed. Requests for an additional allotment have been refused, as it is felt by the underwriters that Canadian investors were entitled to the fullest possible participation.

The B. C. Electric and its subsidiaries, now controlled by B. C. Power Corp., was well known by investors on the other side and a great deal of the demand for the new issue came from the old B. C. Electric shareholders.

MORTGAGE LOANS

Funds available for Loans on the security of improved Farm Lands

OSLER, HAMMOND & NANTON Limited

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P. Lyall & Sons Construction Company, Limited

Toronto - Montreal - Ottawa

Woods Manufacturing Company, Limited

Jute and Cotton Bags, Hessians, Buckrams, Paddings and Twine

Tents, Flags, Tarpaulins, Clothing and Cotton Fabrics

FACTORIES AT MONTREAL, TORONTO, OTTAWA, WINNIPEG, WELLAND

HEAD OFFICE MONTREAL

New Issue

$250,000.00

THE

ONTARIO WINE COMPANY

LIMITED

Divided into 2500 7% Cumulative Redeemable Preferred Shares of a Par Value of $100.00 Each

CAPITALIZATION

	Authorized	Outstanding
Capital Stock 7% Cumulative Redeemable at 110 Preferred Stock	$250,000	$110,000
Common Stock (no par value)	25,000 shares	25,000 shares

MR. E. J. MORROW, who is the General Manager of the Company, has summarized the company affairs as follows:

THE COMPANY, The Ontario Wine Co., Ltd., incorporated under the laws of Ontario to acquire the land, buildings, stock and trade of the Ontario Wine Co., New Toronto, and Dr. Kilborn Medicine Co., New Toronto.

THE DR. KILBORN MEDICINE CO. was established in 1908 and manufactures drugs, proprietary and patent medicines, toilet waters and perfumes.

THE ONTARIO WINE CO. was established in 1912 and manufactures various types of Port, Sherry, Claret, Sauterne, the famous "Bludwine" Sparkling Burgundy and Champagne. In addition to the manufacture of wines, the company manufactures a complete line of Sunkist Fountain Fruits, Syrups, Extracts and supplies.

OUR BUSINESS is highly profitable and on account of the increased demand for our products it has become necessary to greatly expand the present capacity of the plant.

PLANT: Modern, reinforced, concrete, three storied building which will carry three additional floors, making in all approximately one acre of floor space.

ASSETS: Combined fixed assets including land, buildings and equipment, had a replacement value after depreciation, according to the certificate of the Sterling Appraisal Company, Ltd., as of May 1st, 1928, of $85,710.59, less a first mortgage on Real Estate of $18,000.00 leaving net fixed assets of $67,710.59.

Combined net current assets, as of April 23rd, 1928, as certified to by D. Vise & Co., Chartered Accountants, were $53,975.43.

EARNINGS: Consolidated net earnings, after providing for all operating expenses, on present capacity were:

In 1925	$24,010.04
In 1926	$20,520.31
In 1927	$22,405.07

Earnings on Increased Capacity are estimated at $75,000.00 per annum net.

Interest on Preferred Stock $17,500.00, Balance available for Common $57,500.00, equal to over $2.00 per share.

AUDITORS OF THE COMPANY: D. Vise & Company, Federal Bldg., Toronto, (Chartered Accountants).

BANK REFERENCES: Mr. M. S. Brennan, Manager, Bank of Nova Scotia, Queen St. and Lansdowne Ave., Toronto.

MANAGEMENT: The General Manager of the Company, Mr. E. J. Morrow, has devoted his entire business career to the wine industry, and as proprietor of the Ontario Wine Company has successfully developed this company from a very modest beginning sixteen years ago to the present large holdings we now have.

GENERAL: Prospects for the development of this important industry are very attractive. It is estimated that consumption of Canadian Wines has substantially more than quadrupled during the past few years. We wish to emphasize the fact that in the Province of Quebec the consumption of wines in 1923 were approximately 252,559 gallons, while in 1927 it reached 884,394 gallons, exceeding that of the preceding year by 168,369 gallons. We predict the same increase will take place in this province and throughout the Dominion in general.

DIRECTORS: The Board of Directors will include the following: E. J. Morrow, Toronto, Ont.; H. E. Heffernan, Cleveland, Ohio, U.S.A.; J. C. Clews, Toronto, Ont.; W. R. Willard, Toronto, Ont.; R. W. Thompson, Toronto, Ont.

PRICE $100 per Share with a Bonus of Three Shares Common to Five of Preferred

N. E. DARRAH & COMPANY

206 Central Building 45 Richmond St. W.

Phone—Elgin 1645, Elgin 3682

TORONTO, ONTARIO

This information contained herein, while not guaranteed by us, has been gathered from sources we believed to be reliable.

NEW ISSUE

$4,000,000

Montreal Apartments, Limited

5½% First (Closed) Mortgage 20-Year Sinking Fund Gold Bonds

To be dated July 1st, 1928, maturing July 1st, 1948. Principal and semi-annual interest (January 1st and July 1st) payable in Canadian gold coin or its equivalent at any branch of the Bank of Montreal in Canada; or, at the holder's option, in United States gold coin or its equivalent at the Agency of the Bank of Montreal, New York, or in Sterling at the Bank of Montreal, London, England, at the rate of $4.86 2/3 to £1. Coupon bonds, denominations $1,000 and $500, with privilege of registration as to principal. Redeemable as a whole or in part at the option of the Company on 30 days' notice at a premium of 5% up to and including July 1st, 1929, and thereafter up to and including July 1st, 1947, at a premium of 5% less ¼ of 1% for each year or part of a year elapsed between July 1st, 1929, and the date of redemption, and after July 1st, 1947, without premium; in each case with accrued interest. The Company will assume United States Normal Income Tax up to 2%, and will refund Pennsylvania, Massachusetts and certain other State taxes as defined in the Trust Deed. Trustee: The Royal Trust Company.

CAPITALIZATION
(On completion of this financing)

	Authorized	Outstanding
5½% First Mortgage Bonds, due 1948 (this issue)	(Closed)	$4,000,000
7% General Mortgage Bonds, due 1938	$615,500	615,500
Common Stock, no par value	15,000 shs.	15,000 shs.

The Hon. P. R. DuTremblay, K.C., M.L.C., who owns all the share capital of the Company except directors' qualifying shares, has undertaken to purchase the equity in the properties to be mortgaged as security for these Bonds, and thereupon the payment of principal and interest of the Bonds, also the sinking fund and all covenants of the Trust Deed, will become his personal obligations.

Descriptive circular, copies of which will be supplied upon request, contains a letter from the Hon. P. R. DuTremblay, K.C., M.L.C., President of the Company, from which he summarizes:—

THE COMPANY: Montreal Apartments, Limited, incorporated under the laws of the Province of Quebec, having purchased the property and assets of Drummond Investment Company, Limited, will own by freehold title the following apartment blocks in Montreal, and the real estate on which they are situated:—

"The Chateau," an eleven storey building of reinforced concrete construction completed in 1926, containing 131 apartments, with a total of 926 rooms. From the standpoint of accommodation, exterior and interior finish and architectural design, the building is considered to be the finest apartment block in Canada. The property fronts on Sherbrooke and Mountain Streets, in the heart of the uptown residential section of the city.

The "Drummond" and "Drummond Court" Apartments, fronting on Stanley and Drummond Streets, in the same residential section as the "Chateau." The buildings consist of two ten-storey apartment blocks, completed in 1920 and 1924 respectively, divided by a private roadway. They are designed, constructed and equipped in accordance with the most modern practice in buildings of this type and contain a total of 191 apartments, divided into 1,316 rooms.

BOND ISSUE: Bonds will be secured by a first (closed) hypothec, mortgage and pledge on the properties above mentioned. The Trust Deed will contain provision for payment of a semi-annual sinking fund of 1% per annum (payable as to ½ of 1% semi-annually), commencing January 1st, 1931.

PURPOSE OF ISSUE: The proceeds of these Bonds will be used for the retirement of $1,828,000 6½% First Mortgage Bonds of Montreal Apartments, Limited, and approximately $1,793,000 outstanding 6½% First Mortgage Bonds of Drummond Investment Company, Limited.

INSURANCE: Fire insurance now in force covering buildings and equipment amounts to $4,200,000. In addition, Use and Occupancy insurance is carried to provide against possible interruption of operations.

VALUE OF ASSETS: Lands, buildings and equipment have a present value according to the certificate of Canadian Appraisal Company, Limited as at May 22nd, 1928, of $6,920,000, as against $4,000,000 First Mortgage Bonds to be outstanding — equivalent to approximately $1,730 per $1,000 First (Closed) Mortgage Bond.

EARNINGS: Consolidated net earnings of the combined properties, after deduction of operating and maintenance expenses and local taxes, and available for interest and depreciation, for the year ended December 31st, 1927, as certified by Messrs. P. S. Ross & Sons, Chartered Accountants, were $332,691.

On the basis of signed leases in effect May 1st, 1928, Messrs. P. S. Ross & Sons estimate that net earnings for the year ended May 1st, 1929, available for bond interest and depreciation—provided that leases expiring during that period are renewed at present rates and with the benefit of savings to be effected by the amalgamation, as estimated by the Hon. P. R. DuTremblay—should be as follows:—

Gross Revenue	$655,385
Operating Expenses and Taxes	235,165
Net Earnings available for Bond Interest	$420,220
As against annual First Mortgage Bond Interest of	$220,000

—equivalent to 1.9 times annual interest requirement of this issue.

GENERAL: Combined properties will be under the management of the Hon. P. R. DuTremblay, who has had many years' experience in operating large apartment blocks of this character (including these properties), and through anticipated administration and other economies to be effected by the amalgamation, operating and maintenance expenses should be materially reduced.

We offer these bonds for delivery if, as and when issued and received by us, and subject to approval by counsel of all proceedings, at—

97 and accrued interest, to yield over 5¾%

Royal Securities Corporation Limited

R. A. Daly & Co. Limited

Hanson Bros. Incorporated

Matthews & Company Limited

McLeod, Young, Weir & Co. Limited

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

B.C. POWER FUTURE SEEN AS HOPEFUL

Growth of District Served Makes Stock Attraction as Hold

DISTRIBUTION IS WIDE

Britain, U. S. Investors Have Reason to Watch Progress of Canada's Pacific Coast

A wide distribution is being obtained in Canada, United States and England for the Class A stock of British Columbia Power, the Canadian company formed to take over the enterprise of the British Columbia Electric Railway, an English company, and its Canadian subsidiaries, which controlled the hydro-electric power, gas and traction systems at Vancouver and environs and Victoria and Esquimalt.

The issue of 1,000,000 shares of Class A stock was made last week by Wood, Gundy & Co. and Nesbitt, Thomson & Co. The Class A shares were offered at $60 each and one-quarter share of Class B stock was given with each. The Class B stock is the only voting stock. On completion of the financing, there will be 1,000,000 shares of each class outstanding. Class A stock is redeemable at $100 per share.

Class A stock has preference as to dividends for the first $2 per share which may be disbursed, shares equally with Class B in subsequent disbursements and is limited to $5 in dividends. It is estimated, on the present basis of earnings, that the earnings in the first year of operation of the new company will not be less than $2 the share.

Both classes of stock will be listed soon on Canadian exchanges and probably in London.

Viewed as Long Hold

The long-term outlook for the new company is considered good in view of the probable growth of Vancouver and the Pacific Coast of Canada generally. The capitalization placed on the enterprise in the new issue of shares is placing a value on the property in excess of the market value of the shares of the predecessor company, but present purchasers evidently are of the opinion that the growth of the territory served justifies discounting the future.

A statement from the management in Vancouver is to the effect that the company contemplates no increase in rates, although the company, of course, is not in position to guarantee that conditions will not arise which will justify higher charges. The history of power companies, however, is that rates are gradually decreased as demand grows and, with the Bridge River development underway and other potential waterpowers within reach of the company, it is likely that Vancouver and district will grow industrially. Under these conditions, it is likely the unit cost of power can be lowered from time to time.

At present, there is no public regulation of power and traction rates in British Columbia. Public utility operations could, of course, be subjected to public regulation at any time the legislature saw fit. The practice in rate-fixing followed elsewhere probably would serve as a precedent in order to assure as low rates as are consistent with a reasonable return on the physical investment. The assurance which comes from George Kidd, president, that no rate increases are contemplated probably averts any demand for public regulation in view of the fact that the company is understood to be selling its services at rates which compare favorably, from the point of view of the consumer, with electric and traction rates elsewhere.

Vancouver Grows

The Vancouver district has made tremendous strides in the last few years, and there are observers who declare that geographical location, plus the magnificent harbor, will make the city one of the great ports in the world. While manufacturing, aside from the development of natural resources, is yet in its infancy, there are indications that the city eventually will assume a place of importance in this field of endeavor. The development of the port naturally will contribute to the growth of manufacturing enterprise.

Victoria, on Vancouver Island, also is making rapid progress, and while Vancouver has by far the greater start, there are signs of early and rapid growth of the capital city industrially and as a port.

Enamel & Heating Products Report Business as Good

From Our Own Correspondent

MONTREAL.—A satisfactory volume of business is being handled by the Enamel and Heating Products, Ltd., the newly formed merger of the Charles Fawcett, Ltd., of Sackville, N.B., and Amherst Foundry Co., of Amherst, N.S. The enamelware department is said to be booked up for four months.

The company is making an effort to develop new lines. Experiments are being made with new bath tub patterns which are expected to result in additional sales.

At the present time Enamel and Heating Products, Ltd., has outstanding 29,000 shares of common out of a total authorized issue of 50,000 shares. There is no bonded indebtedness. Application has been made to list the stock on the Montreal Stock Exchange.

Hudson's Bay Shares Exhibit Steady Rise

Trading Company Has Great Potential Asset in Canadian Western Lands; With Marland, Drills For Oil

Hudson's Bay Co. shares, listed on the London Stock Exchange, have been rising gradually in the last three months. A Canadian purchaser who paid the equivalent of $24 in February now finds the stock quoted at the equivalent of $31.50.

The Hudson's Bay Co. shows as outstanding stock £1,500,000. The par value is £1. On this, the company paid 30 per cent. in 1927 as dividends from land sales and 10 per cent. as dividends from trading. The company still has several million acres of land of the 20,000,000 acres it received at the time of the handing over of the Northwest territories. Besides being of potential value as farm land, much of the territory is geologically favorable for oil discoveries. The company is drilling for oil in conjunction with the Marland Oil Co.

The furtrading department still is a source of profit and while the department stores division has been involved in large capital expenditures in recent years, the outlook is considered fairly good, especially in view of the growing prosperity of the Canadian West.

GOTFREDSON CORP. OUTLOOK BETTER FOR CURRENT YEAR

1927 Showed Sharp Decline in Earnings, But Betterment Predicted

While operations of Gotfredson Corporation in 1927 resulted in a net loss, there is good reason to expect that the present year will see a substantial improvement in the company's operating position. Operations for the first four months of the year are officially stated to show net sales of $1,496,000 with a net profit of over $24,000. Unfilled orders as of May 15th amounted to over $500,000; and from these orders on hand it is expected that the last two months of the half year will show still further improvement.

The balance sheet at the year end shows current assets of $3,104,615 against current liabilities of $1,123,357, a ratio of 2.76 to 1. This compares with $2,676,668 current assets and $987,129 current liabilities in 1926 or a ratio of 2.71 to 1.

Valuation of used trucks on hand have been largely written down. Surplus accounts as at December 31st shows a net improvement over previous year.

As previously forecast in The Financial Post, Gotfredson earnings for 1927 are considerably below the 1926 showing, chiefly due to the used truck situation in 1927. The situation in this respect has become quite acute, the necessity by reason of keen competition to take in large numbers of used trucks to maintain sales and production increases resulting in profit losses due to liberal allowances made for the used trucks taken in. This situation now shows some signs of righting itself; but has been a serious problem for the past year or eighteen months with somewhat disastrous results to profits.

Operating profit of Gotfredson for the year ended December 31st last amounted to $88,199 before interest and non-fund charges, compared with $251,013 in previous year. Interest, depreciation and bond discount totalled $127,197 resulting in a red balance of $38,998 against a profit after provision for charges and income tax in 1926 of $196,032.

Following is a comparison of profit and loss statements:

INCOME AND SURPLUS ACCOUNT
Years Ending Dec. 31

	1927	1926
Profits	$ 88,199	$251,013
Other income	......	60,900
	88,199	311,913
Less: Interest	44,036	53,130
Bad debts	......	2,629
Other charges	......	5,504
Deprec., etc.	83,161	35,428
Taxes	......	19,190
Net profit	*38,998	196,032

* Loss.

Cosmos Fails to Rise But Prospects Good

Common stock of Cosmos Imperial Mills has failed to respond, so far, to authentic reports of better business in the current year, than was experienced in the first half of last year. In 1927, the volume of output remained fairly satisfactory throughout the twelve months, but an unexpected drop in the cotton market after the company had put in its supply of raw materials necessitated a substantial writing down of inventory below cost.

This condition, it is asserted, will not exist in 1928 and with output growing steadily and an abnormal number of orders on hand, it is likely that the results for the year will be much better than for 1927. In 1927 the common earned $1.21 per share when not less than $3.50 had been expected.

D. J. McDougald J. B. McArthur
Government, Municipal and Corporation
BONDS
D. J. McDOUGALD & CO.
Trusts and Guarantee Bldg.
302 BAY STREET ELGIN 2278
The Partners Personally Advise as to Investments

£
The Will To MAKE A Will
will be materially assisted if you send for a very complete and simple form that we have prepared to explain and aid you in performing this important duty.
Write or call for a copy.
THE STERLING TRUSTS CORPORATION
10-12 East King St., TORONTO
Branch:—REGINA

CANADA VINEGAR SHORTLY TO ISSUE N.P.V. COM. STOCK

Expansion of Business and New Plants Places Co. in Strong Position

There will shortly be offered to the public through McLeod, Young, Weir & Co., an issue of one class stock in the Canada Vinegar Co. This company is the result of the merging of several vinegar companies in the past few years, included in the merger being companies that have been continuously in operation for the past three quarters of a century.

Canada Vinegar controls a good part of this business in Canada, and has a chain of plants stretching across the continent. The large number and strategic location of these plants enables the company to lay down its products economically in all parts of Canada, freight rates and haulage charges, the bugaboo in distribution of low-priced bulky commodities, being kept to a very low charge because of the large number and convenience of the operating plants.

Canada Vinegar has no bonds or other securities outstanding, its capital consisting solely of n.p.v. shares. It has a satisfactory record of earnings over several years; and sales for the first five months of 1928 are stated to be substantially higher than a year ago.

PAPER BOX MERGER INCREASES PROFITS OF VARIOUS UNITS

Corrugated Paper Box Co. Already Showing Benefits of Consolidation

The consolidation of two of Canada's leading corrugated paper box manufacturing companies is announced this week, together with the announcement of financing of the Corrugated Paper Box Co., Ltd. The latter company has been incorporated to take over the assets and business of a company operating under this name in Toronto and to complete the purchase of all outstanding shares of the Hilton Bros., of Winnipeg. The result will be the consolidation of these two plants, and expansion of their business through further extension of distribution and sales services which now form a network across Canada.

The constituent companies have a successful history of increasingly profitable operations during the past 15 years.

Particulars of the issue of shares being offered this week are as follows:

$650,000
Corrugated Paper Box Company, Limited
7% Cum. S. F. Redeemable Preferred Shares
(Par Value $100 per share)

Capital:	Authorized	Issued
7% cum. s.f. redeem. pref. stock	$1,500,000	$650,000
Common stock, n.p.v.	100,000 shs.	100,000 shs.

Company: Incorporated to acquire assets and business of Toronto company of same name and Hilton Bros., Winnipeg, manufacturers of corrugated paper boxes and containers for many years.

Assets: Net tangible assets are valued at $695,441 and consist of valuable property holding and equipment in Toronto and Winnipeg.

Earnings: For 1927 earnings of the combined companies were $106,526 net after charging of depreciation and allowing for taxes. For the first quarter of 1928 profits have increased further and are ahead of same period of last year by some $19,818.

Management: J. S. Whealy, president of the Toronto company organized by himself some years ago, continues as president of the new company.

Offer: Preference stock is offered through Gairdner & Co., and C. H. Burgess of Toronto at $100 and accrued dividend with a bonus of 3 shares common with each 10 shares of preferred.

R. T. Riley is Elected Northern Trusts President

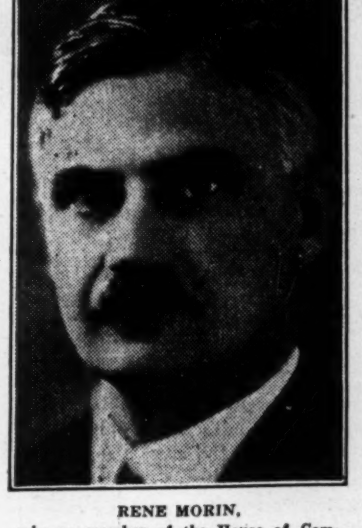
R. T. Riley has been appointed president of the Northern Trusts Company in succession to the late George F. Galt. Mr. Galt had been president of the company since its inception in 1904.

W. A. Murphy has been elected a director of the company, thus filling the vacancy on the board left by Mr. Galt's death. Mr. Murphy, who is now vice-president of the Reliance Grain Company, has been prominent in the Winnipeg grain trade for many years, as a member of the firm of Smith-Murphy, Limited. He is also a director of the Canadian Fire Insurance Company and several other companies.

LIST C. & E. LAND

Common stock of the Calgary & Edmonton Land Co. has been listed on the Toronto stock exchange.

Trust Company Manager



RENE MORIN, who as member of the House of Commons and general manager of the reorganized General Trust of Canada, is exceedingly busy these days. At Ottawa, there has fallen upon his shoulders the task of sponsoring the Bell Telephone Company legislation which is having a rather stormy passage. As general manager he is to guide a trust company that has been taken over and reorganized by the Banque Canadienne Nationale. Two weeks ago the company announced a $1,100,000 preferred stock issue, which is being subscribed among the directors of the company offered as "rights" to shareholders of the bank.

CHRYSLER MERGER WILL CONTINUE DODGE LINES

Vigorous Chrysler Policy Expected to Result in Huge Production

Absorption of Dodge Brothers Inc., by Chrysler Corporation, definitely announced from New York this week, placed the new Chrysler company in a prominent producing and sales position where it has its chance of supplanting General Motors as leader in the industry. While the consolidation will not have the mammoth assets of General Motors, it will be a very sizable concern, with a capital close to the half billion dollar mark; and if present vigorous sales and production policies of Chrysler are pursued, the merger has a good chance of successfully competing against General Motors for leadership.

For the past record of Walter P. Chrysler must not be overlooked; and his achievement in bringing Chrysler into third place as volume producer of motor cars in the brief period of half a dozen years that has elapsed since he first undertook reorganization of Maxwell, augurs well for the success of the new combine.

It is stated that the new capital structure will consist of some $450,000,000 new shares in Chrysler Corporation. These will be exchanged for the various Dodge shares outstanding; and where cash is requested, banking interests behind the merger will be prepared to buy Dodge holdings at a fair fixed price.

The consolidation will be largely controlled by Walter P. Chrysler and Dillon Read & Company.

NEWSPRINT MILLS IN REAL STRUGGLE

Some Forecasts of Keener Competition in Industry Being Made

From Our Own Correspondent

MONTREAL. — Something of the position in which the newsprint industry finds itself may be judged from the comments in the U. S. papers touching the withdrawal of three companies from the Canadian Newsprint Company. One U. S. newspaper went so far as to indicate that there is bound to be further cuts in newsprint prices, coupled with a real struggle for existence among the producers with the small mills being pushed to the wall. Among those with a knowledge of the industry in Canada, though, these gloomy forecasts are regarded as being entirely too pessimistic.

If any companies are going to the wall, it will be the U. S. newsprint producers, for nine of every ten mills there produce less than 100 tons of newsprint daily, as against productions all well over 100 tons a day from the new up-to-date, low cost mills of this country. Moreover, while the newsprint industry is undoubtedly in the doldrums at the moment, the long term investor naturally does not fail to recognize that the demand for newsprint is steadily increasing, but the expansion of the newsprint properties in this country has well nigh reached the limit of the forest resources. Obviously the long term outlook for the industry is as satisfactory as ever. This last point is a factor which will tend to maintain the prices of the newsprint stocks in the event of keener competition in the industry than that which now exists.

Lyall Contract May Run to $20,000,000

From Our Own Correspondent

MONTREAL.—The contract awarded by the government of Colombia to the P. Lyall & Sons Construction Company may run up to $20,000,000. The contract is for a variety of public works including buildings, highways, roads and docks. The company is to carry out the work on a straight percentage basis. Funds have been deposited with New York bankers which allow P. Lyall & Sons to obtain its percentage of profits as each section of the construction work planned is completed. It is understood that the management of the company is eminently satisfied with the contract and satisfied with the future outlook for the company.

Cockshutt Plow Common Listed on Montreal Curb

From Our Own Correspondent

MONTREAL.—The Montreal Curb Market announces that 288,600 shares of no par common of the Cockshutt Plow Co.—"when, as and if issued"—have been listed. The old shares of this company were recently exchanged for four new n.p. stock and $10 in cash for each share of preferred.

Hitherto the shares of this old established company have never been listed on a Canadian stock exchange, although they were in London, Eng.

The new stock has been traded in extensively on the curb during the past few days, selling up as high as 31½.

WALKER RATE NOW IS HIGHER, IS JUST EXTRA

Directors Leave Way Open for Retreat After One Payment

SALES ARE GROWING

Exports to U. S. by Purchasers Relatively Less Important as Trade With Other Countries Develops

Hiram Walker - Gooderham & Worts quarterly dividend payable September 15th will be for 75 cents, or on the basis of $3 annually. The directors, however, are careful to let it be known that this 25 cents may be considered merely an extra and that the $3 rate will be continued in the following quarters only if, in the opinion of the board, earnings justify the payments.

Directors of the company held an extended session May 25, but could reach no decision, and there was adjournment until next day, when eventually it was announced that the extra of 25 cents would be paid for the last quarter of the current fiscal year which ends August 31. It was intimated, further, that hereafter the directors would meet only annually for consideration of dividend payments.

Board Divided

As previously reported in The Financial Post, the board was divided on the question of increased disbursements to shareholders. One faction, representative of the management, held that reserves of cash should be greater before there was an increase. The other, representative of the financial interests identified with the enterprise, desired an immediate increase and held that earnings justified the payments. It is stated that current earnings are in the neighborhood of $10 annually on the 660,000 shares outstanding. It is expected that there will be further increases in the current year because it will be the first tourist season in which there have been an adequate number of vendors' shops operating in Ontario. The tourist season is expected to make a record.

The company next year will have a large stock of Bourbon whisky for sale in the domestic and export markets. This kind of whisky can be matured in two years and forms a portion of the alcohol put into storage at the time of sale of the enterprise by the Walker family in 1927. The company is constantly increasing its stock of maturing alcohol so that a steadily growing trade is being provided for.

About 40 per cent. of the company's business is in the export business. The percentage of this export liquor which, after it leaves the company's possession, finds its way into United States is difficult to estimate. It is probably a fairly substantial amount and the loss of the business might affect temporarily the earnings of the company. On the other hand, it is pointed out that the company does not countenance sales of this character and is building an export trade with countries of more liberal laws. Growth of this business tends to decrease the importance of purchases which are suspected of originating in the United States.

Royal Bank Again Stimulates Students

From Our Own Correspondent

MONTREAL.—Again, the Royal Bank of Canada is offering a prize fellowship at any Canadian university to the university student submitting the best paper on one of a group of selected subjects. The bank, no doubt on the advice of Dr. Marvin, its able economist, has made a peculiarly happy choice of subjects on which the competing students will write. They are as follows:

The Economic Aspects of the Saint Lawrence Waterway Plan.

The Coal Problem in Canada. A discussion of the relationship between the Saint Lawrence Valley and the coal supplies of the East and West.

Sources of Federal Revenue and their relative merits.

The study of a particular foreign trade area for the development of Canadian commerce.

In the 1927-28 academic year, the Royal Bank first offered a prize for economic discussions. The prize for that year was won by Dermot A. Davies, a student of the University of British Columbia, for his paper on "Does Canada Need a Federal Farm Loan System?"

The Ontario Loan and Debenture Co.

164th DIVIDEND

Notice is hereby given that a QUARTERLY DIVIDEND of 3 PER CENT. for the current quarter ending 30th June, 1928 (being at the rate of 12 per cent. per annum), has been declared on the paid-up capital stock of this Company and will be payable at the Company's Office, London, Ontario, on or after the 2nd July, 1928, to Shareholders of record of the 15th June, 1928.

By Order of the Board.
T. H. MAIN, Manager.
London, Canada, 29th May, 1928.

Reliance Grain Company Limited

Preference Dividend No. 2

Notice is hereby given that a dividend for the quarter ending May 31st, 1928, at the rate of 6½% per annum will be paid on June 15th, 1928, to Preference Shareholders of record at the close of business on May 31st, 1928.

By order of the Board.
A. W. GIBB, Secretary.
Dated at Winnipeg, May 26th, 1928.

Sun Life Assurance Company of Canada

HEAD OFFICE: MONTREAL

Stock Transfer Department

Notice is hereby given that the Stock Transfer books of the Company will be closed from the 16th to the 30th of June, both dates inclusive, for the preparation of the dividend to become due and payable on the 1st day of July, 1928, to shareholders of record at the close of business on June 15th, 1928.

By Order of the Board,
H. W. K. HALE, Secretary.

Canadian Vickers Make Important Staff Changes

From Our Own Correspondent

MONTREAL.—Several changes have been announced in the personnel of Canadian Vickers, Ltd. George [illegible] has been made managing-director and vice-president; D. B. Carswell, operating vice-president, in charge of marine construction and repairs; H. H. [illegible]man, operating vice-president, in charge of the development of new work with supervision over aircraft department; Oswald Leger, operating vice-president, in charge of structural steel department; R. Ramsay, operating vice-president, in charge of industrial engineering department; J. W. Savidant, comptroller and treasurer, and F. G. Wilson, secretary.

Two new directors have recently been added to the board, Messrs. John C. Newman, president of General Steel Wares, Ltd., and Geo. R. Cottrelle, of Toronto. The board of Canadian Vickers now consists of James Playfair, president; Frank M. Ross, vice-president and managing-director, and V. M. Drury, J. McL. Stephen, James A. Richardson, Noah A. Timmins, John C. Newman and George R. Cottrelle.

TOWN OF DRYDEN

Tenders for Debentures

Sealed tenders will be received by the undersigned up to 6 o'clock p.m. on June 13th, 1928, for the purchase of $26,800.00 waterworks and $[illegible] sewer debentures of the Town of Dryden, Ontario. Each issue bearing [illegible] per cent. interest and payable in [illegible] equal annual instalments of principal and interest. Payable at par at Royal Bank, Montreal, Que., Toronto and Dryden, Ontario. Successful tenderer will be furnished with legal opinion of Messrs. Long & Daly.

The highest or any tender not necessarily accepted.

J. E. GIBSON,
Clerk, Town of Dryden, Ontario.

The Shawinigan Water & Power Company

Notice is hereby given that a dividend of fifty cents (.50) per share has been declared on the no par value common shares of the Company for the quarter ending June 30th, payable July 10th, to shareholders of record June 23rd, 1928.

By Order of the Board.
JAMES WILSON, Secretary.
Montreal, May 22nd, 1928.

STANFORD'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of .25 cents a Share for the three months ending May 31st, 1928, has been declared on the Common Shares of the Company, and will be payable on and after the 15th day of June, 1928, to the Shareholders of record at the close of business on the 31st day of May, 1928.

By order of the Board,
J. G. RENAUD, Secretary-Treasurer.
Montreal, May 22, 1928.

DIVIDEND NUMBER 176
Hollinger Consolidated Gold Mines, Limited
(No Personal Liability)

A dividend of 2% on the outstanding Capital Stock of the Company has been declared payable on the 16th day of June, 1928, on which date cheques will be mailed to shareholders of record at the close of business on the 30th day of May, 1928.

Dated the 23rd day of May, 1928.
I. McIVOR, Assistant-Treasurer.

St. Maurice Valley Corporation

DIVIDEND NOTICE

Notice is hereby given that a dividend of 1¾ per cent. for the three months ending June 30th, 1928, being at the rate of 7 per cent. per annum on the paid up Preferred Stock of this Corporation, has been declared and that same will be paid on the second day of July, 1928, to shareholders of record at the close of business June 15th, 1928.

By order of the Board.
G. WILFRED HODGSON, Secretary-Treasurer.
Montreal, May 15, 1928.

SUBSCRIPTION RIGHTS NOTICE

Canada Malting Co. Limited

This Notice is directed to the holder of Share Warrants to Bearer. Notice to holders of registered certificates is sent by mail.

NOTICE

The Directors have authorized the offer to the Shareholders of 15,334 additional shares of the capital stock of the Company, which may be subscribed for at Thirty Dollars ($30.00) per share by Shareholders in the proportion of one new share for each twelve shares held.

The privilege of subscribing for such new shares will expire at the close of business on the 15th day of June, 1928, and payment in full for shares subscribed for must be made on or before that date.

Holders of Bearer Share Warrants issued not later than the 31st day of May, 1928, may obtain Subscription Right Warrants in respect of the shares comprised in such Bearer Share Warrants upon production between the 1st day of June, 1928, and the 15th day of June, 1928, both days inclusive, of the Bearer Share Warrants at the Office of the Toronto General Trusts Corporation, 255 Bay Street, Toronto, Transfer Agent of the Company, and upon endorsement of such Warrant of a notice specifying the fact of the issue of the Subscription Right Warrants in respect to the shares covered thereby.

By order of the Board,
ERIC S. CLARKE, Secretary.
Montreal, Quebec, May 17th, 1928.

BELGO CANADIAN PAPER COMPANY LIMITED

Dividend Notice

Notice is hereby given that a dividend of 1¾% for the three months ending June 30th, 1928, being at the rate of 7% per annum, on the paid up Preferred Stock of this company, has been declared and that same will be paid on the second day of July, 1928, to shareholders of record at the close of business June 1st, 1928.

By order of the Board.
G. WILFRED HODGSON, Secretary-Treasurer.
Montreal, May 15, 1928.

EVERY DAY you see men and even Companies making more money out of their investments than they do out of their business.

Investing your surplus capital is a business in itself, which you should conduct with as much knowledge, good judgment, carefulness and foresight as you use in your own business.

You can only get the most out of your investment by adopting a certain policy primarily based on conservatism, but flexible and adapting itself to different conditions.

It was good policy months ago to use a certain portion of your investing capital in the purchase of ten or more listed stocks. Now, most stocks are up at a dangerously high peak, and their yields are negligible.

When you purchase securities of established Corporations making a public offering, your money is put to work for that particular industry and the returns on your investment are in direct ratio to the profits of the business, particularly when the cost of the financing is low, the management reliable and efficient, as in the case of the Heat Exchange Apparatus Limited.

That is one of the many reasons why we recommend this issue.

Commonwealth Securities Co.
Suite 307, Bank of Toronto Building
MAin 4976 MONTREAL

COMMONWEALTH SECURITIES CO.,
Suite 307, Bank of Toronto Bldg., Montreal, P.Q.

Please furnish me without any obligation on my part full particulars regarding shares of Heat Exchange Apparatus Limited.

Name ....
Street ....
City .... Province ....

Built For Those Who Command The Finest

When those whose resources command the finest, definitely register their preference for Knight-motored cars by adopting them for personal use, more can not be said in evidence of Knight-motor quality.

The King of England, the Prince of Wales, the King of Belgium, the King of Spain and half the Ministers and Peers of Continental Europe are owners of cars with the same type of patented Knight engine which powers the renowned Stearns-Knight.

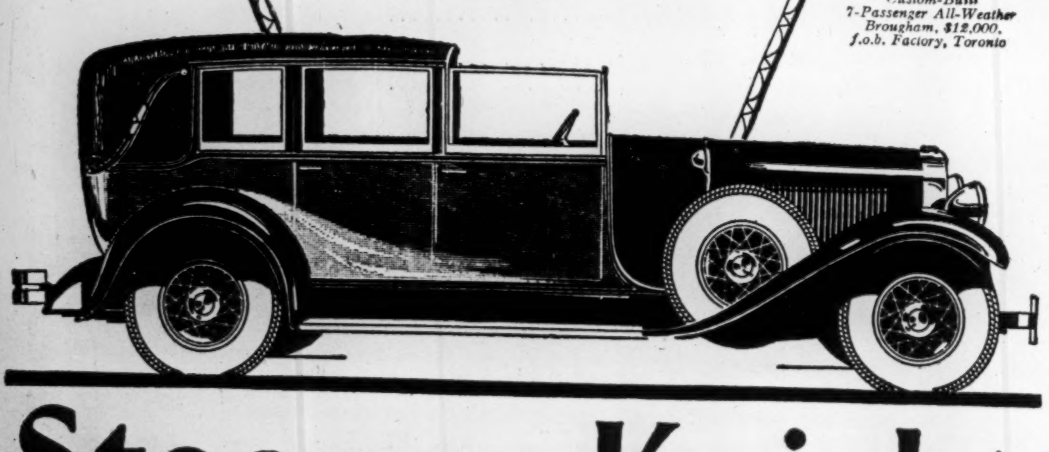
By virtue of established efficiency and by reason of simple, conservative beauty and exquisite refinements which definitely register good taste, Stearns-Knight has earned a prominent place among the world's finest motor cars.

A wealth of beauty,—a richness of interior appointment—luxurious comfort—superlative performance, the Stearns-Knight offers to an unequalled degree. Produced in limited quantities, it provides high individuality in motor-car transportation for those who command the finest. An interesting variety of body styles is currently available.

Closed car prices on six- and eight-cylinder models range from $4,675 to $12,000, f.o.b. Factory, Toronto. Taxes extra.

Willys-Overland Sales Company Limited
909 Bay St., Toronto
Royle Motor Sales Limited
4099 St. Catherine St. W., Montreal

Custom-Built 7-Passenger All-Weather Brougham, $12,000, f.o.b. Factory, Toronto



Stearns-Knight
MOTOR CARS OF QUALITY

Featuring Gold Mining in Nova Scotia

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXII. Member of Audit Bureau of Circulations PRODUCTION OFFICE: TORONTO, JUNE 1, 1928 10c. a Copy; $5.00 a Year No. 22

Interest Revives in Mining Areas Once Very Active

Revival of Interest Takes Place in Nova Scotia's Metallics — All Technical Reports Favorable and Province Now Witnesses Mining Activity

DRILLING DONE BY HAND IN GAY NINETIES

Province Only Now Emerges from Situation That Prevented Continued Development of Ore Bodies Known to Exist and Recognized as Worth Attention

Those with any real knowledge of Nova Scotia's metallic resources, along either technical or non-technical lines, feel that the province is assured of a steady and substantial growth in its gold and base metal mining industry.

During the past year, a number of large mining interests have turned to those with a knowledge of the province for information on the mineral situation which prevails there. The result has been a decided quickening of mining activity throughout Nova Scotia. There can be no doubt that the next year or two will witness a material increase in the general level of prosperity prevailing along the Atlantic seaboard resulting from the mineral activity now underway.

Formerly Large Producer

From 1860 to about 1903 Nova Scotia was a large gold producer. From 1903 until three years ago, the output gradually dropped off. There are many factors responsible for the decline. The cost of mining increased with the general all round increase in the commodity price level. The cost of labor increased. Hence, under the inefficient and crude methods formerly employed, costs became too high to make metallic mining profitable.

In many places in the province there will be found old shafts put down by former operators. Frequently a group of as many as 20 shafts can be located in a row along one vein within a distance of 500 yards. Formerly, mineral areas or claims were only 250 by 150 feet. Thus, often 10 or more operators would sink shafts to tap one ore shoot. The cost of getting gold out under such conditions is obvious.

In the years up to, and including the gay 90's, drilling was carried out by hand and the ore was raised, either by a horse hitched to windlass or by hand.

Distracted Attention

Then, early in this century began the rush to the Northern Ontario fields and the results achieved at Cobalt eclipsed the developments at Nova Scotia. Attention was focused on Ontario to the detriment of Nova Scotia's mineral development.

Hence there can be no doubt that the decline in Nova Scotia's metallic output has been due, not to any absence of millable ore, but to these factors which have combined to place the Nova Scotian industry in a situation from which it is only just now beginning to emerge.

Moreover, the possibilities of Nova Scotia as a mineral area are only just beginning to be realized for never in the history of the province has mining or milling been undertaken along the modern lines now in every day use in Northern Ontario. Now, the various operators are prosecuting development along only efficient, sane and modern lines.

All geologists and mining engineers have reported favorably on the mineral potentialities of the province—save one. In 1906 the Nova Scotian government, in an endeavor to ascertain the reason for the decline in the gold output, obtained an engineer's report from T. A. Rickard. The report was in part unfavorable. It recommended that the mineral resources of the province could best be developed by the small type of operation confined chiefly to high grade bodies. This practice had been prevalent in the past. The impression gained from the report was that there was no hope for any real development in the province along modern mining lines. Mr. Rickard's report had much to do with delaying the mineral development of the province.

Incomplete Knowledge of Facts

But offsetting these views, subsequent engineers and geologists who examined the province indicated that Mr. Rickard's report was derived from an incomplete knowledge of the facts. Such geologists as the late J. C. Murray and G. R. Faribault have both reported very favorably on the gold resources of the province. It is the more unfortunate that one partially adverse report should have had such an effect on the gold output of Nova Scotia, more especially as at the same time prominent engineers reported unfavorably on the prospect of obtaining gold in Northern Ontario. In any event the consensus of technical opinion now is that Nova Scotia has the ore which will allow large scale developments along lines which prevail elsewhere in the Dominion. Were not technicists agreed on the potentialities of the province, Nova Scotia certainly would not have experienced its present mining revival.

At the moment, some properties in Nova Scotia are in the prospect stage, others have located real ore bodies, others have a mine and are now to ascertain just how big a mine and how large a mill can be installed. Incidentally, there are mines operating at a profit, with small mills. These have produced sufficient funds to finance underground development leading to the blocking out of larger ore reserves.

While a large number of the promising areas in Nova Scotia are controlled by various mining interests, yet the outlook for the future of the mineral development in the province is the more satisfactory, as more and more operators are turning towards Nova Scotia where they find they can obtain options on promising holdings at reasonable figures.

In a large measure the re-awakening of interest in minerals in Nova Scotia has been due to the action of the Rhodes government in changing the mining act and making it possible for those who are willing to carry out a genuine mining effort to obtain properties.

Under the legislation in effect till about a year ago, holders of mining rights were not forced to carry out work on their properties. Thus the mining rights of the province were in the hands of speculators who were content to sit tight on their holdings without carrying out development work. They would only relinquish or sell their rights at ridiculous prices to prospectors or prospective operators.

The small 250 by 150 feet mining claims often permitted speculators to grab off one or two mining areas in the middle of a promising ore zone. Thus the speculator held up developments by demanding an excessive price for his holdings. But now the law has been changed and none can hold mining areas without working them. Moreover, a minimum of 20 areas can only be taken up, so that there is no possibility of small holders paying only a nominal rental per annum and delaying the work of genuine operators.

Mining Official

J. P. MESSERVEY,
deputy inspector of mines of Nova Scotia.

Opportunities Await Sane Speculator in N.S.

While a decided revival in mineral activity has just occurred in Nova Scotia, geologically, little is really yet known of the province. Operators in former days left no real records, either of their work or of the structures which they encountered. Large areas still await the activities of the intelligent prospector. Cape Breton Island is one of these areas where engineers feel rewards await those who have the courage to investigate its resources.

Mineral development in Nova Scotia is, therefore, only in its infancy—but is a healthy and rapidly growing infant. The revival of activity in coal, in metallics and in various forms of quarrying is naturally of importance to Nova Scotia. It is of almost equal importance to the Dominion as a whole, for some betterment in conditions along the Atlantic seaboard is a necessity to the continued progress of prosperity in central and western Canada. A chain is no stronger than its weakest link.

Many centres of population in Nova Scotia have been dependent only on one industry. Lunenburg depends on fishing and Sydney on coal mining. Virtually, Nova Scotia is a two industry province. More sources of employment are needed to bring a larger measure of prosperity. This is being provided by the mineral developments now under way.

Is on the Eve of Large Mineral Expansion

The province lies on the eve of a mineral expansion such as it has never witnessed. The situation surrounding the coal mines has, and is steadily, improving. The metallic resources of its hills are attracting capital and the products of its quarries are finding larger markets. All of which spells more varied sources of employment and greater prosperity.

And so this week, The Financial Post publishes this supplement devoted to the mineral possibilities of Nova Scotia, particularly the gold and metallic field, as a definite contribution towards a wider knowledge of its rich resources. For the wider the knowledge, the faster will development ensue.

Of course, many heartbreaks are bound to follow the mineral development of the province, in the way they have followed all mineral developments elsewhere.

Province Has Already Attracted Large Operators

Many of the larger mining companies have already invested in Nova Scotia's gold and base metal areas. This indicates that the best technicists believe that the mineral possibilities of Nova Scotia are as great as those which exist elsewhere.

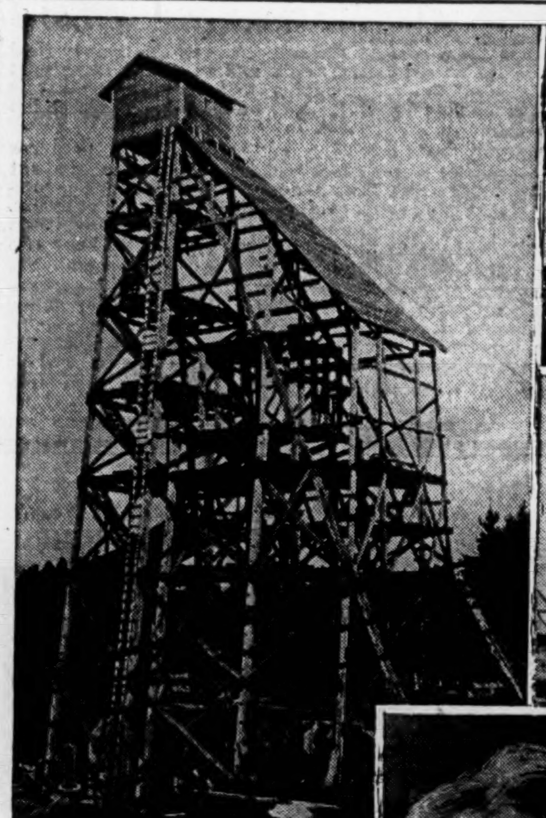
Just as great opportunities await the intelligent speculator in Nova Scotia as in other mineral sections of the Dominion. But due to the fact that metallic development there is yet only in its infancy, the principle of investigation before investment applies with added force to the offerings of stock which will be made from time to time.

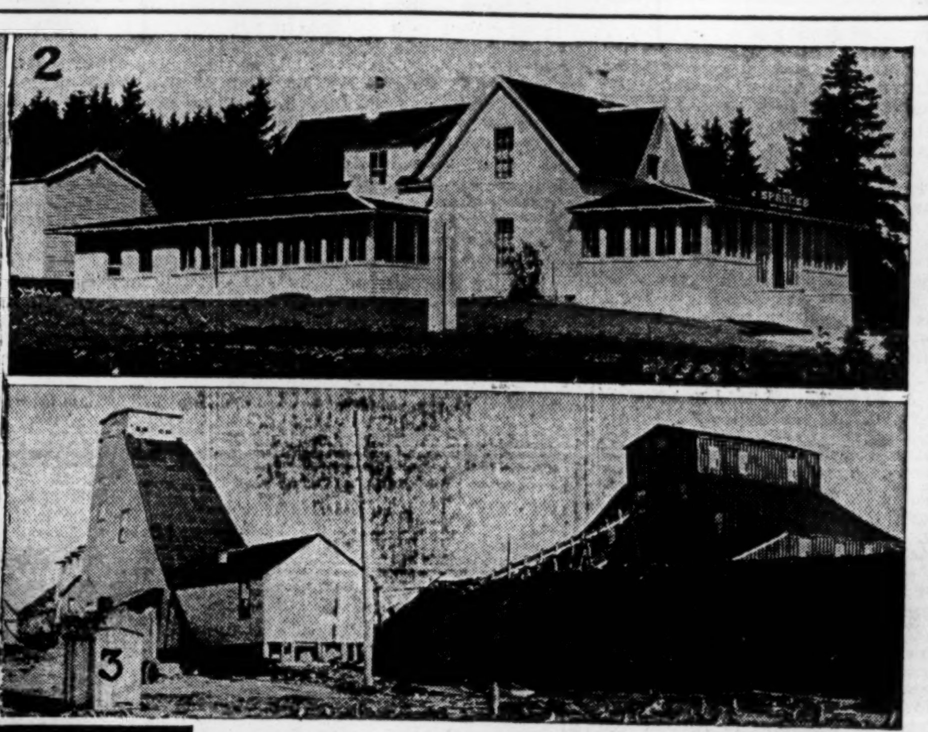
Field Offers Many Openings for Speculative Funds

But if the speculator is willing to take the time to investigate before buying into Nova Scotian projects, and if he places only a proportion of his total speculative funds into such projects, he stands just the same chance of success as speculators in mining companies with holdings located elsewhere in the Dominion.

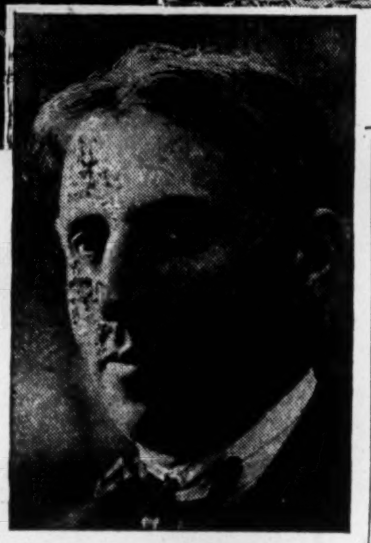
In brief, then, development to date in Nova Scotia now warrants the intelligent investment of speculative funds. Probably, though, because of the fact that it is only a new field, more care must be exercised in buying into Nova Scotia mining projects than into purchasing stock of prospects organized to develop properties in proven areas. In either event, such investment must always be regarded as a gamble—but in Nova Scotia, such gambles have many attractions due, first to the undoubted mineral resources of the province, and second, to the fact that the rewards which await developments in a new field are naturally greater than those from proven areas.

Scenes in Nova Scotia's Gold Areas





Some photographs that tell of progress in Nova Scotia mining. (1) Recently erected headframe of a Montague district gold operation; (2) Dining hall in the Kemptville gold camp, indicating permanent character of effort; (3) Headframe and mill of Goldenville mine of Novamac Power & Mines Corp. Below: Hon. Gordon S. Harrington, minister of public works and mines, who has been one of the chief factors in re-awakening interest in these areas.



CAPE BRETON IS PARTICIPATING IN NEW INTEREST

Development Work on Large Scale Will Proceed in Summer

Cape Breton like the rest of Nova Scotia is coming into its own as the mineral area. Many engineers have visited the island of late, acting in the interests of several large mining operators and mining companies.

Development work on a large scale will be carried out in Cape Breton this summer, for base metal formations of considerable extent and variety are known to exist.

The chief operations at the moment are at the Sterling mines which are being developed by the British Metal Corporation and on the copper deposits along the George River are under option to the Huronian belt.

At the Coxheath copper mines near Sydney operations have been resumed by an Ottawa syndicate. Large scale developments are anticipated on these properties also. There are eleven known veins on this property carrying commercial values in copper and in some places carrying high values in gold.

Elsewhere in Cape Breton surface work is in progress on some of the more promising mineral showings.

C.N.R. SURVEYS MINING CHANCES IN NOVA SCOTIA

Railway Fires Opening Shot in Campaign to Develop Areas

There is romance in the way in which a big Canadian railway has hastened the development of the Nova Scotia mining industry.

For some time prior to 1926, Sir Stopford Brunton, a well-known Canadian mining engineer, had spent much time and effort in making a personal examination of Nova Scotia's gold fields. Sir Stopford, in common with a few other men who had studied the question, realized the possibilities of this province as a gold producer, had been unable to obtain sufficient co-operation to make its possibilities realized on a commercial basis.

This is where the C. N. R. stepped in.

Provided Necessary Impetus

In July, 1926, a letter was despatched by the C.N.R. to the Nova Scotia government, approaching the Nova Scotia government regarding the possibilities of an economic survey of this field. The letter mentioned the work of Sir Stopford Brunton, and suggested that the railroad would be willing to share the expense of anything that might be done along these lines.

The letter met with immediate and sympathetic response from the government. In other words, it provided the impetus, for making possible an analysis for the gold mining possibilities of this almost-forgotten ore body.

Further correspondence followed, and all were agreed that some such analysis was necessary if the problem were to be handled in a large way, and if the possibilities of this field as a commercial producer were to be realized and exploited.

Money Put Up

Of course, such a thing could not be done without a certain amount of monetary outlay. Here again, the railway showed its willingness to cooperate, and provided a handsome sum, which together with a sum of money from the government made possible the achievement of this very worthy object.

So quickly and so energetically was this matter handled that by the 24th of August, in the same year, Sir Stopford Brunton was on the field, and inaugurated his survey. The survey lasted the best part of four months, and as a result a 750-page volume constituting a survey of the gold districts in the province of Nova Scotia was prepared and published.

Thus, the C. N. R. has become definitely linked with the progress of gold mining in Nova Scotia and in its fourth edition of a pamphlet on minerals and mining industries considerable attention is devoted to this phase of Canadian gold mining. The reference to the Nova Scotia situation is as follows:

"The gold-bearing rocks of this province form a belt varying in width from 10 miles at the eastern end to 75 at the western extremity and extending some 275 miles in length along the Atlantic Coast from Canso to Yarmouth—an area of some 6,000 square miles, underlain by what has been termed the "true gold-bearing series." This area embraces the counties of Guysboro, Halifax, Colchester, Lunenburg, Queens and Yarmouth. It has produced gold to the extent of over $19,000,000 in value, with an average of approximately $8.70 a ton. For many years, the gold mining industry lay dormant, but it has taken on a new lease of life.

"There is no constructive value in analyzing the reasons for its decadence, much space having been devoted to the

(Continued on page 20)

Besco Betterment Improves Outlook of Coal Industry

Corporation Produces 90 Per Cent. of Nova Scotian Output — Production is Gaining and Wider Markets Assured — A Vital Industry

The coal industry of Nova Scotia has entered a brighter and more promising era. Coal sales are increasing. Rail rates have been lowered to provide wider markets for the mines; and further, the government is giving thought to ways and means of bringing a larger measure of prosperity to the Nova Scotia coal territories.

Virtually, the Nova Scotia coal mining industry is identical with the British Empire Steel Corporation which produces 90 per cent of the coal mined in the province.

In the 1927 fiscal year, the output of the Nova Scotian mines amounted to 6,646,205 tons. The largest producer of the Besco subsidiaries was the Dominion Coal Company which hoisted 4,390,425 tons. Next came the Nova Scotia Steel and Coal Company with 627,000 tons; then the Acadia Coal Company with 556,616 tons and lastly, the Cumberland Railway and Coal Company with 429,240 tons. Hence Besco accounted for over 6,000,000 tons in a total output of 6,643,205 tons.

Therefore, it can be said that any improvement in the Besco situation vitally affects coal mining in Nova Scotia. In addition to the improvement in the industry itself, there is a betterment in Besco's position, since the entry of the Holt interests into the picture.

Many of the miners are now on a profit-sharing basis with the corporation. The Holt interests should also be able to find still wider markets for the Nova Scotian output in the province of Quebec. In addition, the development and prospective development of coke ovens in Central Canada and also in the Maritimes, has a very definite and satisfactory bearing on the demand for Nova Scotian coal.

The reason for the difficult time through which the Nova Scotia coal industry has passed, lies in the fact that the pithead cost of coal in Nova Scotia is higher than in the United States. A variety of factors are responsible for this situation.

In the United States, the tons of coal produced per man employed is much higher than in Nova Scotia. The last figures available show that in the United States for each man employed in the mines, 778 tons of coal were produced, whereas in Canada the figure was 561 tons. Then again, many of the Nova Scotian coal fields are located in submarine areas, making mining more expensive as against coal mining in, say West Virginia, where the seams run into the hillsides and the coal is often removed by gravity.

The production costs in Nova Scotia, can be lowered, but it will require the investment of further capital in the mines. The financial condition of the British Empire Steel Corporation since its inception to date, has been such that further financing—except on a ridiculously high cost basis—would have been entirely out of the question. Now, however, with the entry of new interests into Besco and with the projected reorganization through which Besco will pass, the corporation will be able to obtain new money to place its mines on a lower cost operating basis.

However, perhaps the real difficulty which has always prevailed in the Nova Scotia industry, is lack of markets. The United States market is virtually closed to the corporation and during the winter months of the year, the province of Quebec has also been closed due to the high cost of rail shipments. In the summer months, Besco can and does ship up the St. Lawrence. In the winter months, this market has been closed. In winter time, some of the mines have had to close down. All of which results in wide fluctuations in the demand for the coal and higher operating costs.

For the future, the recent rail reduction in coal rates, may provide a better market for Besco during the winter months. In addition, the new rail rates should also help Besco in the summer time, as formerly Besco was unable to ship to points in Quebec not located on the St. Lawrence. The combined water and rail rates from Sydney, say to Sherbrooke, P.Q., were much larger than the rail rates on coal from U.S. fields to Sherbrooke. Hence, the freight rate reduction on coal hauled from St. Lawrence ports should now tend to increase the markets of Besco. However, little improvement from this cause can be anticipated this summer as most of the large buyers have made contracts before the Railway Board's order went into effect.

The unsatisfactory financial position of Besco bears no relation, though, to the importance of its coal resources to the Dominion at large. The Nova Scotian fields, and the small coal fields of New Brunswick, are the only deposits in Canada between the Atlantic and the prairies. The Nova Scotian mines produce a large proportion of the total mineral revenue of the Dominion—despite the much heralded metallic mines of Canada, and they provide a fundamental, economic problem of Eastern Canada, despite the fact that coal used in Ontario is imported from the United States. For the Nova Scotian coal fields can give the Dominion an economic independence for this basic commodity which means and spells political freedom.

In addition to the men employed in Besco's mines, there is required to prepare and transport this coal to markets a large force of railway employees, pier men, steamship crews, and the workmen at the discharging plants in Montreal, Quebec, Halifax and Saint John, N. B. Ex-

(Continued on page 16)

5,000 Square Miles Have Good Deposits

How the Gold-Bearing Structure of Nova Scotia Came Into Being — Development in Cape Breton Island

Mineral developments of varying kinds are being carried out in the two geographical sections into which nature divides Nova Scotia. On Cape Breton there are large deposits of base metal such as zinc and lead carrying values in copper and silver. The extensive gold mining developments now going forward in the southerly areas of the province find their counterpart in the promising work underway on the base metal deposits of Cape Breton.

The gold bearing rocks of Nova Scotia cover an area of some 8,500 square miles, says E. R. Fairbault, of the geological survey of Canada. Mr. Fairbault has spent a great portion of his life investigating the geology of Nova Scotia and knows probably more of the gold deposits than any other man. Of this 8,500 square miles, some 3,500 miles are occupied by granite, barren of gold, leaving an area of about 5,000 square miles containing promising gold deposits. The first real discovery of gold in the province in 1860 was immediately followed by others in the gold bearing areas which form a continuous belt from one end of the mainland to the other, a distance of about 260 miles, varying in width from 10 to 75 miles. Gold bearing rocks found in Nova Scotia are classed as belonging to the pre-Cambrian age.

Reason of Geology

Originally, the rocks in which the gold is now found, lay horizontally and have since been subjected to pressure, resulting in a series of undulations parallel with the sea coast. At a later date, the rocks were again subjected to lateral pressure so that domes were formed in the undulations. In later geological times, glacial or other erosions in some instances removed large portions of the peaks of these domes.

It is on the domes, or what remains of them, that the gold-bearing rocks introduced. Thus, the gold mining centres are situated on these domes. Each dome, of course, occupies a space of several square miles.

In one region alone, in an area of some 50 by 25 miles, there occur twenty-one of these domes, of which 14 have been worked from time to time, six are known to contain gold-bearing quartz and one has not yet been proven.

Fairbault Is Optimistic

The geological formations of Nova Scotia bear a resemblance to some of the gold mining areas of Australia, where mining at a depth of 2,000 or 3,000 feet is being carried out. It is possible, and geologists say probable, that similar large scale deep mining operations can be carried out in Nova Scotia. The deepest gold mine working in Nova Scotia is an incline shaft to a depth of about 2,000 ft.

The one standard work on Nova Scotia goldmining is a paper prepared by E. R. Faribault. Regarding the future development of the field, he says, "the problems to be met will prove interesting to mining engineers and it only awaits their skill and knowledge to put in practical operation, and place the Nova Scotia gold fields among the most productive in the world."

Curtain is Rising on Mineral Drama by Atlantic Shore

Nova Scotia Now Alive to Its Mining Possibilities — Large and Small Groups Undertake Metallic Developments

COAL MINING AND QUARRYING ALSO GAIN

Revival in Mineral Development is Not Confined to Precious Metals — Sound Mining Practice is Being Introduced Into Situation

Nova Scotia is now mineral conscious. With the exception of coal mining, the mineral industry of the province has been dormant for some years. Until recently, Nova Scotians themselves had little knowledge of the metallic wealth of their province and viewed somewhat sceptically the efforts of those who were endeavoring to win precious metals from its picturesque rocks.

But Nova Scotia is mineral conscious now. During the past year, the provincial government by every means within its power, including the alteration and improvement of the mining laws, has encouraged prospecting and development from Cape Breton to Yarmouth. The gold production of the province has finally begun to increase. Further increases can be anticipated.

Now Alive to Possibilities

There is a changed feeling, too, regarding mining, in the province. Formerly, no one in Halifax cared about the potentialities of the mineral districts. Now, Halifax, and indeed the whole province is aware of the activity which is taking place, and Nova Scotians generally are taking a keen interest in the development of the various properties. While the monetary increase in the output of gold in 1927 was not large, yet the increase in the output was not proportional to the marked increase in the exploration work which has been carried out. In many districts, strong mining interests from Ontario, Quebec and the United States have taken options on properties and are now actively engaged in developing and proving the presence of ore bodies, both gold and base metal, in the mining territories.

Chief Producer of Province

The chief actual gold producer of Nova Scotia is the Novamac Mines and Power Corporation. This company has been making a success of its operations in Guysboro County. Milling though, on a large scale, has not commenced, as the operators are endeavoring to block out sufficient ore underground to assure turning the operations into a large tonnage project. Incidentally, Novamac's operations are probably the first which have ever been conducted in the province along the lines on which gold mining has proved so successful in Ontario. In the past, the operators were content to erect small and inefficient milling plants which operated only at a profit when the miners were able to maintain an output of high grade ore from day to day.

Now, however, there is a change in the mining methods of Nova Scotia. Operators realize that money cannot be made unless mining be undertaken along large scale mining lines.

Building Up Large Projects

Many operators are now working along sound lines endeavoring to build up large scale projects capable of keeping a 200 ton or 500 ton mill in operation. In other words, the operators are now endeavoring to block out an amount of ore underground sufficient to keep the mills in operation permanently, rather than as in the past in an endeavour simply to find bodies of high grade.

Another satisfactory feature of the situation is the entry of strong mining exploration groups into the province. Companies such as the Huronian Belt, the Pioneer Mining Corporation have optioned many properties and are prosecuting vigorous development work this summer. Other exploration companies are working this summer also. Furthermore, Nova Scotians themselves have formed a strong syndicate in an endeavor to locate a paying mine or mines.

Not Only Gold Though

But it is not only on the Nova Scotia gold fields that interest is centred. The results being achieved by the British Metal Corporation in Cape Breton have led other interests to carry on work on some of the more promising base metal areas.

Of course, the growth of the Nova Scotia gypsum industry is also being continued. There are some promising deposits soon to be developed by strong groups. Success should attend these efforts for the market for gypsum is growing year by year.

Nova Scotia has also diatomaceous earth deposits which are now being developed along sound lines. The outlook is that the development of the diatomaceous earth deposits will add materially to the prosperity of the province.

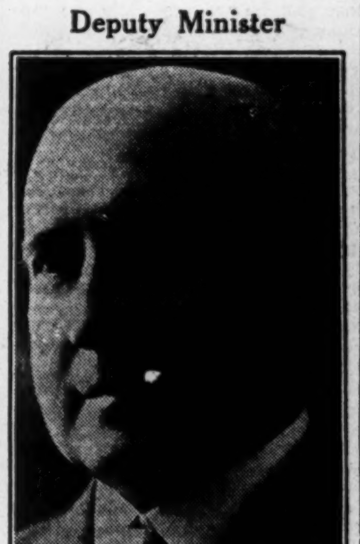
Even in its coal mines, so long a source of discord, the province now has a cause for optimism. The output last year was larger; amount of coal raised per man employed showed an increase; markets are larger; and the government by freight rate adjustments has endeavoured to create larger markets for Nova Scotian coal in Central Canada.

Besco Situation Better

Moreover, the advent of new interests into the British Empire Steel Corporation picture means that for the future the corporation will probably be able to tap new sources of financing which will allow the purchase of up-to-date equipment. This would place the mines themselves on a lower operating basis.

The curtain on the first act of the Nova Scotian mineral drama has been rung up. As the action of the play moves onward, it will be seen that fortunate results for the province will follow the sound mining practice now attending all Nova Scotian mineral developments. The reason for the past decline in the Nova Scotian gold output lies solely in the antiquated and uneconomic mining methods which prevailed throughout the length and breadth of the province in former days.

Deputy Minister



NORMAN McKENZIE,
deputy minister of public works and mines of Nova Scotia.

Low Grade Ore Can be Milled in Nova Scotia

The Nova Scotia government report on Mines for 1927 gives the total gold production in the province at 2307 oz., an increase of 956 oz., as compared with last year. This output was recovered from 15,847 tons of ore and was valued at about $47,000 equivalent to an average value of $3 a ton.

The low average value was due to the large percentage of ore crushed by the Novamac Mines and Power which was working on a belt of low grade ore. This property crushed 88 per cent. of the total ore milled in the province and made returns for 80 per cent. of the gold. The average value of its ore was $2.75 per ton, while the balance from the province average $5.35 per ton.

Most Economic Milling

Novamac's low grade ore showed a profit over and above the cost of milling, the mill handling about 50 tons a day. Only the free gold was recovered; the gold in the sulphides was not included in the foregoing figures. Eventually the company will smelt its sulphides. This ore was run of mine which came from underground development and was not taken from the stopes.

OTHER MINERALS ADD TO WEALTH OF NOVA SCOTIA

Gypsum, Salt and Diatomaceous Earth Developments and Prosperous

MUCH QUARRYING

Less Spectacular Development of Minerals Brings Increased Prosperity in Nova Scotia

The betterment in the situation surrounding Nova Scotia's mineral resources affects, not only coal and metallics, but also every phase of mineral development. Nova Scotia has large valuable deposits such as salt, slate, gypsum, silica, and diatomaceous earth, which as a rule are extracted by quarrying. Its salt resources, though, are being developed underground by mining methods by the Malagash Salt Company.

In the development of all these minerals, the various operators of the province are meeting with success, particularly as there is a growing demand for the output of Nova Scotia's quarrying and kindred industries.

Has Production of Arsenic

Arsenic, or to be more exact, arsenical concentrates, may be included among the mineral resources of the province. Many of the gold ores on the various properties contain large quantities of arsenopyrite. Concentrating equipment has been installed in several mills to save these sulphites. During the 1927 fiscal year, the Metals Mining and Smelting Corporation of Canada treated some 40,000 tons of tailings from the dump of the Boston-Richardson mine in Goldboro. Shipments were made of the concentrates taken from this ore. The concentrates carried nearly 38 per cent. arsenic and a gold content of 1.23 ounces per ton. The price received for the metallic arsenic was two cents per pound. There is a good demand for arsenical concentrates carrying gold values.

Will be Larger Output

Ultimately, when the gold mines get on a larger production basis, the operators might establish a central clearing house for these concentrates which would allow better prices to the operators through their ability to make regular monthly shipments. There is a good demand for arsenic and its uses are constantly growing. As well nigh 50 per cent. of the Nova Scotia gold ores carry arsenic, there seems to be every reason to anticipate a growth of this subsidiary of gold mining.

In addition to its gold deposits, Nova Scotia contains copper antimony, lead and zinc. Investigation of these minerals by various interests is going on. They are dealt with elsewhere in this issue.

The output of salt from the province in the 1927 fiscal year was 12,491 tons—an increase of 4,506 tons over the 1926 output. The increased output was due solely to the activity prevailing at the Malagash Salt Company's mine. The Malagash Company is the sole producer of salt in the province. It is steadily expanding and making a success of its operations.

Indications of potash are said to be distinct at the 200 foot level on the property, but in the opinion of geologists who have investigated the mine, it will be necessary to sink to the 900 foot level before potash will become available in commercial quantities. The potash possibilities of the province have attracted foreign interests, who, it is understood, are investigating its prospects with a view to having the owners develop the property as a potash producer also.

Gypsum Outlook Promising

One of the most important minerals, though, in Nova Scotia, is gypsum. The province has rapidly come to the front as a producer of this mineral, the demand for which is rapidly growing.

In the fiscal year ending September 30, 1927, Nova Scotia produced 850,000 tons—an increase of 40 per cent. over 1926. The Nova Scotian output amounts to 78 per cent. of the total production of the Dominion. Only a small proportion of the output is calcined in Nova Scotia. The remainder is sold in the crude form in the domestic and U. S. markets.

Production Grows Largely

There will be a further increase in the gypsum output in Nova Scotia during the current year. Gypsum is largely used in the building industry; it is used, also as a retarder in the cement industry, in the manufacture of plaster for inside finishing and decoration, partition tiles, plaster board and fire resisting material. As the Nova Scotia product is of a superior grade, there exists an excellent and growing demand for the production. In recent years, new gypsum properties have been developed and other new projects are now under way.

Diatomaceous Earth Deposits

Nova Scotia also produces ceramics such as brick and tile, and vitrified sewer pipe, grindstones, building stone, limestone, silica and slate. The development of these minerals is proceeding satisfactorily.

The mining and preparation of diatomaceous earth for the market was rejuvenated in 1926. At New Annan, Colchester County, a plant is being operated by the Oxford Tripoli Sales Company, and at the present time the Scotia Diatom Products is just getting into operation on the large deposits on Digby Neck.

Mining Society Meeting to Increase Interest

Felt That Annual Meeting of N.S. Mining Society on June 19-20 Will Quicken Mineral Revival

By F. W. GRAY,
President of the Mining Society of Nova Scotia

The 36th annual meeting of the Mining Society of Nova Scotia is to be held in Halifax, N.S., on June 19-20. The meeting is being looked forward to in the province with much interest because it coincides with an encouraging revival of activity in mining generally in Nova Scotia.

The Mining Society of Nova Scotia was founded in 1892 as the outgrowth of the Nova Scotia Gold Miners' Association, which was formed in 1887, and was the first mining society in Canada. The only surviving member of the Gold Miners' Association is George W. Stuart, ex-Mayor of Truro, N.S., who at 86 years of age is projecting development work this summer in the Killag gold district. Mr. Stuart was president of the Mining Society in 1902 and contributed many papers to the society's proceedings. It is hoped that he will be present at the Halifax meeting, together with Dr. E. R. Faribault, who is the only survivor of the honorary members elected at the forming of the Mining Society in 1892.

Maintained by Coal Companies

The Mining Society suffered a decline in its membership and finances as a result of the decline in gold production in the province. Gold recovery reached a peak between 1898 and 1902. In 1898 86,000 tons of crushed rock yielded 31,104 ozs., and in 1902 192,000 tons (which was the largest tonnage that went to the crushers in any one year in Nova Scotia) yielded 28,279 ozs. In subsequent years production steadily declined until in 1914 it had fallen to 3,158 ozs. and the low mark was reached in 1921 when only 378 ozs. of gold was recovered.

In 1914 it was realized that gold mining in Nova Scotia was likely to suffer further decline, and in order that the Mining Society of Nova Scotia might be maintained in useful activity its headquarters were removed to Sydney, Nova Scotia, and since that time has continued to grow in membership. The coal and steel companies of Nova Scotia undertook to assist in maintaining the society by guaranteed memberships and have generously continued this assistance, supplementing an annual grant from the province of Nova Scotia.

Specialized On Coals

Because of the small activity in mining in the province outside of coal and steel operations, and because of the continued decline in gold production, the membership of the society and its activities have reflected since the beginning of the war rather preponderantly the technical side of coal and iron-ore mining and of steel-making practice.

It is, therefore, fitting at this time, when the prospects for gold mining and for the production of base metals, and especially the progress of gypsum mining are so greatly improved, that a meeting of the Mining Society should take place in Halifax, where it was founded, and where gold mining especially has always been a matter of much local interest.

Gold mining in Nova Scotia will be especially featured in the meeting. A general review of the status of the industry in the province and its prospects will be presented by J. P. Messervey, Deputy Inspector of Mines and Quarries for the province, and some observations, with interesting conclusions on "The Occurrence of an interbedded vein in Gold Measures at Tangier" will be read by Sir Stopford Brunton, whose paper presented at the annual meeting of the society in 1926 has not only evoked much interest and discussion, but has been honored by the award of the Leonard Medal for 1927. This medal is in the joint gift of the Engineering Institute of Canada and the Canadian Institute of Mining and Metallurgy, and is given for the best paper on any mining or metallurgical subject contributed to the proceedings of these societies in the year. It has been arranged that the medal will be presented to Sir Stopford Brunton during the meeting by the Hon. G. S. Harrington, the Minister of Mines for Nova Scotia.

Present Valuable Papers

Sir Stopford Brunton's conclusions to some extent disagree with the opinions of other geologists, and it is anticipated that a useful discussion will follow the presentation of the two papers mentioned, which will, it is hoped, be contributed to by Dr. E. R. Faribault, who has a wider and more authoritative knowledge of the geology of the Nova Scotia gold-fields than any other investigator of that area, and by Dr. M. E. Wilson and Dr. G. A. Young also of the Geological Survey.

Kenneth L. Dawson, Superintendent of the Halifax Gas Works, will give an account of important experiments carried out in the gas works at Halifax on the removal of carbon-sulphur compounds from coal gas by oil washing. Mr. Dawson presented a paper on this subject before the Engineering Institute of Canada in Montreal in March, and his work has created very much interest among all who are interested in the utilization of Canadian coals for the manufacture of town gas. In particular Mr. Dawson's work has an important bearing on the utilization of Nova Scotia coal for this purpose.

Papers On Other Topics

Papers dealing with coal mining include "Types of Endless Haulage as applied to Coal Mines" by J. D. Stewart, Assistant Mechanical Engineer of the Dominion Coal Company; "Care and Installation of Underground Electric Machinery" by E. Martheleur, the Electrical Engineer of the British Empire Steel Corporation; "Steel Roof-Supports in Underground Operations" by Louis D. Frost of the Mining Engineering Department of the Dominion Coal Company, and "Longwall Mining at Sydney Mines" by J. J. McDougall, the Resident Superintendent of the Nova Scotia Steel & Coal Co., at Sydney Mines.

Particular interest attaches to the question of steel roof-supports in the Sydney district, British experience of this type of support has been very favourable, and in view of the approaching shortage of pit-prop timber in Nova Scotia, and its unsuitability for use at great depths combined with the ability of the steel companies that are associated with the local companies to make steel in their own works, it is probable that the use of steel for underground support will become a matter of much importance to coal-mining engineers in Nova Scotia.

Mr. McDougall's paper on longwall mining at Sydney Mines will supplement a paper written several years ago describing extraction of coal by the longwall method in the submarine area of the Princess Colliery at Sydney Mines, a paper that was given much publicity in technical circles because of the unusual circumstances at the Princess Colliery. This is the oldest coal mine in Canada, and after 52 years' continuous work in the undersea area has now reached a point exceeding two miles from shore.

Other papers that are expected include one by R. E. G. Burroughs on "Tungsten and Diatomite in Nova Scotia", and a paper on "Gypsum Mining in Nova Scotia" by Mr. Otis Waack, manager of the Canadian Gypsum Company at Windsor, Nova Scotia. It is possible also that Mr. E. R. Chambers will describe the interesting salt mine which he is now operating at Malagash, N.S.

BESCO BETTERMENT IMPROVES OUTLOOK OF COAL INDUSTRY

(Continued from page 15)

clusive of the crews of the freighting fleets, and including the operations of the British Empire Steeel Corporation on the mainland of Nova Scotia, some 14,000 men are daily employed, directly and indirectly, in connection with the production of coal in Nova Scotia in the mines of the Corporation.

Pay Roll Over $18,000,000

The pay roll of this large number of employees is upwards of $18,000,000 per year, and probably not less than 70,000 persons are directly dependent for their livelihood on the operation of the coal mines of the corporation.

Besides supplying the domestic needs of the Maritime provinces and Newfoundland, and meeting the large fuel requirements of the iron, steel and allied industries of the province, the mines of Nova Scotia ship from two to three million tons of coal up the St. Lawrence for the Quebec, Montreal, and Eastern Ontario market.

The corporation has adequate facilities for economically distributing its coal supplies. One of its subsidiaries is the Sydney and Louisburg Railway Company, a forty-mile standard-gauge railroad, with seventy miles of branches and spurs which connect the various mines with the terminals at Louisburg and Sydney, these terminals being equipped to handle the largest freighters afloat. The Sydney loading piers are able to accommodate three 10,000-ton colliers simultaneously, and to load 40,000 tons of coal in a twenty-four hour shift. The docks at Sydney are also equipped with facilities for the expeditious bunkering of ocean vessels.

The corporation owns a very valuable asset in its large fleet of coal and ore carriers. This fleet, which is being increased constantly, has an aggregate deadweight capacity of approximately 70,000 tons. During the season of navigation the ships are engaged in the St. Lawrence coal trade and in carrying the company's requirements of ore and limestone. Their activities in this regard are augmented by a large chartered tonnage.

One of the satisfactory points about the position of the Nova Scotian coal industry is the fact that the Canadian public is beginning to realize the advantages of burning coke. This factor, coupled with coke oven projects now underway or in prospect, indicates an increasing demand for Nova Scotian coals.

Nova Scotia coal has been coked since 1870, but the plants at Sydney to-day are very modern and produce a clean, efficient, high-carbon fuel which can be used wherever anthracite is now being used.

British Empire Steel Corporation employs directly over 27,000 workers when running at capacity. It controls one of the largest iron-ore deposits in the world, the Wabana, Newfoundland, deposit of about three billion tons. Its iron and steel plants and collieries are modern in every respect. It will be readily understood that the industrial importance to Canada of the corporation cannot be set too high, and of tremendous significance to the future of the Dominion are the plans of the corporation for economical and permanent production of coal from its enormous land and submarine reserves. These plans, while promising to provide the most practicable and enduring solution of the pressing fuel supply problem of Eastern Canada, will afford a source of employment and wealth for many future generations of the Canadian people.

It is a singular circumstance that on the whole Atlantic coastline of the American continent there are only two places at which coal and iron-ore deposits are found at tidewater, namely: in Nova Scotia and in Newfoundland. In both instances the presence of the coal seams and the iron-ore deposits was revealed by outcroppings on land. The amount of coal and iron-ore underlying the land-areas is, in both instances, relatively small and unimportant when compared with the undersea deposits.

There can be little doubt that large beds of coal, and possibly iron-ore, are concealed by the waters of the sea, in such a manner that their presence can only be surmised, and they are, of course, inaccessible to mining. In one or two instances the erosion by the sea has been so extensive that the outcroppings of the coal seams and the iron-ore seams are only sufficient in area to indicate the presence of these minerals in greater quantity under the sea.

The most valuable and important undersea coal deposit in Nova Scotia lies off the shores of Cape Breton Island, extending for about 20 miles on either side of Sydney Harbor, and underlying the waters forming the entrance to this splendid roadstead.

The coal seams in the Sydney field extend inland for a comparatively short distance, running inland at no point further removed than seven miles from the seashore, but their extension under the sea is unknown. The workings of a number of the collieries have proceeded under the bed of the ocean for varying distances up to a maximum of 2¼ miles from high-water mark. How much farther the coal seams extend is not known, but the probabilities are that they continue uninterrupted to a distance beyond the limit of man's ability to carry air for ventilation, and for the cutting and transportation of coal. What this limit is no person can determine.

When the mining of coal under the sea was first undertaken in Cape Breton about fifty years ago, the vision of the pioneers of that day did not carry beyond the possibility of mining coal to a distance under the sea of one mile from the opening at the shore. To-day coal is being mined off the coast of England almost four miles from land, and it is thought that coal can be mined off Cape Breton Island up to a distance of five miles from shore It may even be mined at much greater distances from shore should the progress of the arts and the need for coal develop as rapidly in the next hundred years as they did in the century that has gone by since coal was first mined on a large scale in Cape Breton.

The coal resources of Nova Scotia are gigantic. In the Sydney coalfield there is a capital investment of possibly fifty millions of dollars in coal mines, excluding the value of the railways, docks and municipal investments associated therewith, and not including the large investment in the steel industry that is founded on the coal supply.

The coal made available by this investment is in the neighborhood of five million tons per annum, and, without additional investment there is tributary to these collieries proven coal areas sufficient to maintain this output beyond the lifetime of this generation. The most recent of the collieries, viz: No. 1B Colliery of the Dominion Coal Company near Glace Bay, has an expected productive life of 150 years, will mine coal eventually from at least three distinct coal seams, and will have workings that will reach from four to five miles under the sea at some future date.

What length of productive life may be attained by expenditures still to be made in the Sydney fields is a matter that will concern the next generation more than it does this. Some idea of the reserves may however be given.

The undersea coal field lying north and south of Sydney Harbor has been proven by existing mines to have an unbroken continuity of 30 miles along the shore line, and the probabilities are that the coal extends under the sea far beyond the reach of mining. What this reach may be is also a question for the future mining engineers. It is probably not less than eight miles from shore. The farthest point so far reached under the sea, in a colliery that entered the undersea area in 1877 and has been advancing continuously seaward since, is 2¼ miles. One colliery in England with less favorable natural conditions, has advanced four miles under the sea and is still advancing.

When it is recollected that fifty years ago the mere possibility of mining under the sea was doubtful, and note is taken of the changed attitude of the mining engineers in the meantime, who can say what is the extent of the coal reserves of the Sydney submarine field?

If the reserves of the Sydney field are great, and as yet in large part remaining to be explored, what is to be said of the other fields of the Province?

The Pictou field now produces about 600,000 tons annually, but has a capacity with present investments of 1,000,000 tons annually. This field is only partially explored. Out of sixteen coal seams known to exist, only some four seams have so far been worked. It is also more than probable that the seams of the Stellarton area overlie the seams of the Westville area, and that the amount of coal in the ground is much greater than has been supposed. It is certain under these conditions that some of the seams will lie too deep for mining, but all that it is intended to convey here is that the boundaries of the field and the extent of its reserves have not yet been fully ascertained.

Similarly in the case of the Springhill area, which is now producing 500,000 tons per annum, there is the best reason to believe that the Springhill seams extend over a very much larger area than that now worked. It is thought that the seams worked at Springhill Mines continue dipping until they reach below the depth of the mining and then rise again to a depth permitting mining.

Suffice it is to say that, while the exhaustion of the coal resources by mining contmued over a period of 100 years is not at all negligible, this has proceeded only sufficiently far to awaken the curiosity of mining engineers as to the extent of the unproven resources, and sufficiently only is so far known to indicate the existence of workable coal outside the boundaries of fields now working in quantity that will serve to prolong indefinitely the production of coal within the province.

The following figures give a picture of the demand for coal from the Besco pits. Both groups of figures refer only to the British Empire Steel Corporation. However, figures of the shipments up the St. Lawrence can be taken as the total shipments to these markets from the province. Virtually Besco is the only Nova Scotian producer to ship coals up the river.

COAL MINED
(Capacity 7,500,000 tons)

	Tons
1913	6,475,[illegible]
1914	6,250,000
1915	5,960,000
1917	4,888,[illegible]
1918	4,420,000
1919	4,440,000
1920	4,840,000
1921	4,400,000
1922	4,250,000
1923	5,100,000
1924	4,397,488
1925	2,582,183
1926	5,834,161
1927	6,003,737

ST. LAWRENCE SHIPMENTS
(Including C.N.R. deliveries at Levis)

	Tons
1913	2,096,000
1914	2,198,000
1915	1,847,000
1916	525,000
1917	213,000
1918	50,000
1919	337,000
1920	161,000
1921	1,015,000
1922	1,284,000
1923	1,450,000
1924	1,443,000
1925	772,000
1926	2,031,000
1927	2,427,000

Your dollar that buys Canadian goods will later be used to buy yours—Buy Canadian Coal

DOMINION COAL
Company Limited

Do Canadians realize the tremendous wealth of Canada's coal deposits? In Nova Scotia alone, enough coal can be mined to fill the needs of all Canadian industry.

The mines owned and operated in Nova Scotia by the British Empire Steel Corporation, Limited, are producing over 6,000,000 tons of Bituminous Steam Coal and Gas Coal annually and this is far from the maximum production.

A fleet of twenty-eight steamers, aggregating a total tonnage of 180,000, is necessary for the transportation of this output from Sydney to the various markets.

Modernly Equipped Bunker Stations are Maintained at

Montreal, Quebec and Three Rivers, P.Q., Saint John, New Brunswick, Halifax Sydney, North Sydney, Louisburg and Pictou, Nova Scotia

Coal Mines at

Cape Breton, Pictou and Cumberland Counties, Nova Scotia

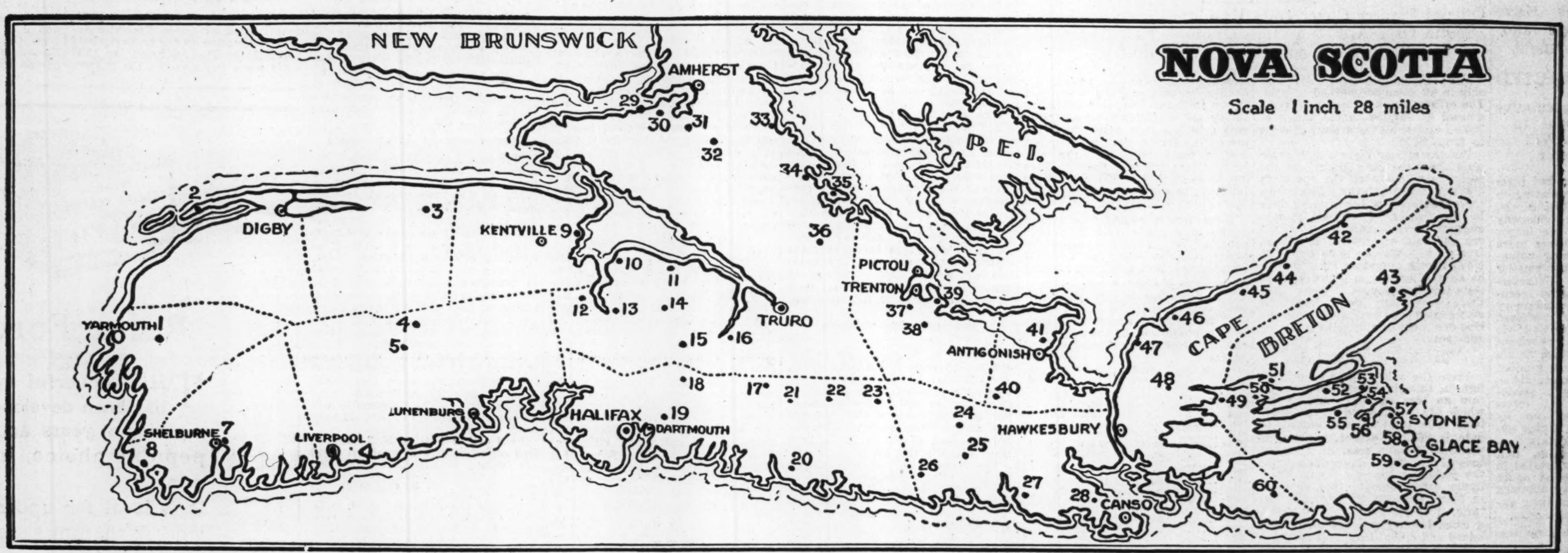
NOVA SCOTIA STEEL & COAL Company, Limited
Heavy Forgings, Rail Accessories, etc.

EASTERN CAR COMPANY Limited
Makers of Freight Cars and Accessories

JAMES PENDER & CO. LIMITED
Nails, Barbed Wire, Wire Products

HALIFAX SHIPYARDS LIMITED
Drydocking, Shipbuilding, Marine Repairs

BRITISH EMPIRE STEEL CORPORATION LIMITED
CANADA CEMENT BUILDING MONTREAL CANADA

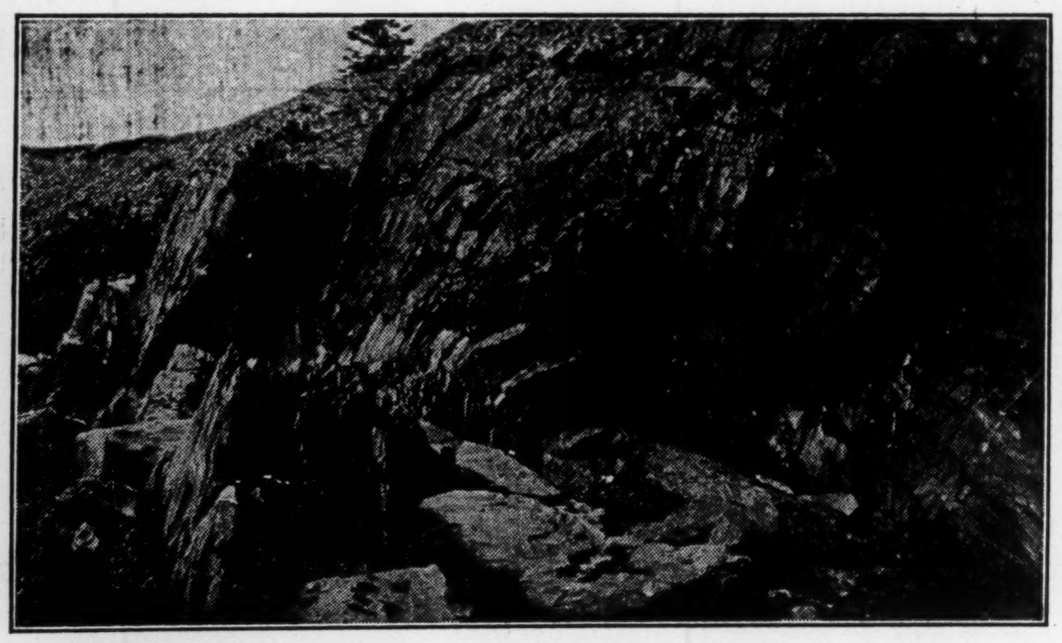


INDEX MAP SHOWING THE LOCATION OF SOME OF THE LEADING NOVA SCOTIAN MINERAL OPERATIONS

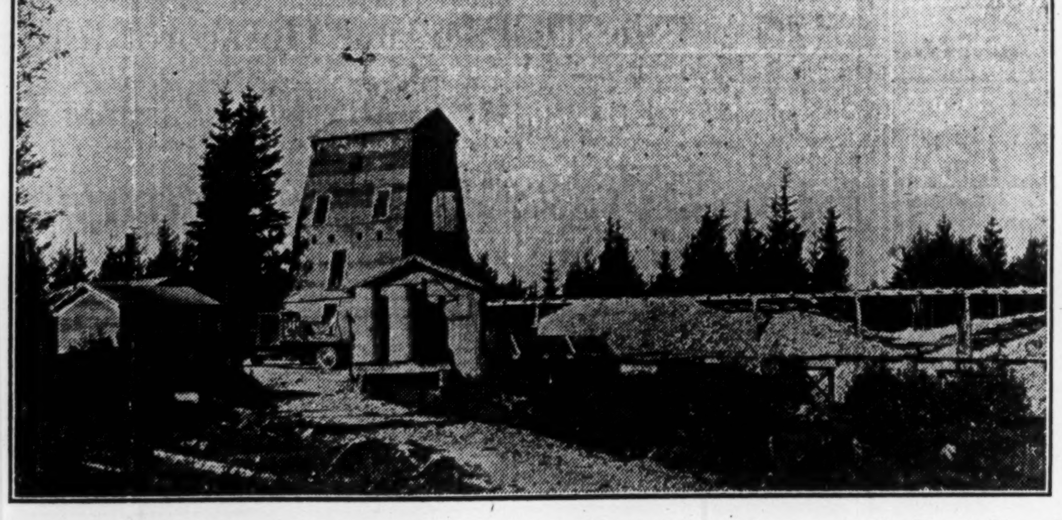
1. Bower Mfg. Co., Kemptville.
2. Scotia Diatom Prod., Little River.
3. Granite Quarries, Nictaux West.
4. Acadia Exp. Co., Brookfield.
5. Malaga Mfg. Co., Malaga.
6. Indian Path Pros. Synd.
7. C. G. Reid, Shelburne.
8. A. T. Dauphinee, Doctor's Cove.
9. L. E. Shaw, Ltd., Avonport.
10. Connecticut Adam Co., Cheverie.
11. Atlantic Gyp. Prod., Walton.
12. Eastern Lime Co., Windsor.
    Windsor Plaster Co., Windsor.
13. Canadian Gyp. Co., Wentworth.
    Windsor Gyp. Co., Newport Sta.
14. Windsor Plaster Co., Clarksville.
15. Geo. Cameron, Renfrew.
16. Fire-clay at Shubenacadie.
17. Fire-clay at Middle Musquodoboit.
18. Acadia Gold Mines, Oldham.
    Evangeline Gold Mines, Oldham.
19. Metals, M. and S. Corp., Montague.
20. Tangier M. and P. Co., Tangier.
21. Maritime Gold Mines, Moose River.
22. Goudrey & Papke, Beaver Dam.
23. 15-Mile Stream Gold District.
24. Novamac M. & P. Co., Cochrane Hill.
25. Novamac M. & P. Co., Goldenville.
26. Evangeline Gold Mines, Miller's Lake.
27. Victory Gold Mines, Goldboro.
28. Queensport Granite Co., Queensport.
29. Maritime Coal Co., Joggins.
30. Coal Collieries, River Hebert.
31. Coal Collieries, Maccan.
32. Cumberland Coal Co., Springhill.
33. N. S. Clay Prod., Pugwash.
34. Sandstone Quarries, Wallace Harbor.
35. Malagash Salt Co., Malagash.
36. Oxford Tripoli Co., New Annan.
37. Intercolonial Coal Co., Westville.
38. Acadia Coal Co., Stellarton.
    Greenwood Coal Co., Thorburn.
39. Micmac Grindstone Co., Woodburn.
40. Copper at Polson's Lake.
41. Canada Cement Co., Antigonish.
42. Atlantic Gyp. Prod., Cheticamp.
43. Ingonish Gyp. Co., Ingonish.
44. St. Rose Coal Mine.
45. Inverness Coal Co., Inverness.
46. N. S. Coal & Gypsum Co., Mabou.
47. Port Hood Coal Mine.
48. River Denys Sand Co., Melford.
49. Newark Plaster Co., Ottawa Br.
50. Iona Gyp. Co., Iona.
51. N. American Gyp. Co., Baddeck.
52. Dolomite Quarry, George's River.
53. Bras d'Or Coal Co.
54. N. S. S. & Coal Co., Sydney Mines.
    Indian Cove Coal Co., Sydney Mines.
55. Silica Quarry, Leitche's Cr.
56. Limestone Quarry, Pt. Edward.
57. Dominion Coal Co., Collieries, Waterford.
58. Dominion Coal Co., Collieries, Glace Bay.
59. Dominion Coal Co., Collieries, Morien.
60. British Metals Corp., Sterling.

Energetic Development of an Empire's Resources

The Proven Potentialities of Nova Scotia's Extensive and Rich Mineral Deposits Have Resulted in a Vigorous Development Throughout the Length and Breadth of the Province—Large, Well Financed Operations are Obtaining Gratifying Results—Ore Resources Proven



An anticlinal fold in the Ovens gold district of Nova Scotia. It is in geological structures such as this that gold is found.



Head frame of the new vertical shaft of the Bower Mining Company in the Kemptville gold district.

DUE to the promising results already achieved, Nova Scotia stands to-day on the eve of a mineral boom. Strong interests have taken hold of many gold mining properties; and the gold output of the province has increased largely. The development of base metal properties has proved that this type of mining is profitable. The development of the non-metallics, such as gypsum, salt, diatomaceous earth and other products of the quarry, is being carried out on a profitable basis. The quarrying and kindred industries are expanding year by year.

SITUATION IMPROVES STEADILY

The situation surrounding the coal mining industry has improved; larger markets are being opened and projected capital expenditures will lower present coal mining costs.

But it is on the metallic resources of the Province that eyes of the mining world are now focussed.

The Nova Scotian gold fields are now being worked along sound modern lines, and the results of such developments are already becoming apparent in the larger projects now under way. The success attending present operations assures that development in the future will be carried out on a steadily expanding scale.

Many substantial and well financed operations are now being conducted in the various gold bearing areas; operators are engaged in blocking out large ore reserves, and the fact that Nova Scotia will become a large gold producer is now admitted by all technical men who have visited the promising mining areas of the Province.

SOUND MINING LAWS

Gold and silver mining claims have an area of 150 feet by 250 feet, but not less than twenty areas can be taken in one block. Prospecting licenses are granted for a period of one year, and the equivalent of two days' work per area must be performed in that period. Leases are granted under the same terms. The gold industry is exempted from royalties until 1932.

For minerals other than gold or silver, the mining areas each cover one square mile. A license to search is granted for one year when 100 days' work must be performed. Upon the expiration of the license, a lease may be obtained when 600 days' work must be carried out during each year. Copies of the revised Mines Act may be obtained on application to the Department.

Province of Nova Scotia

DEPARTMENT OF MINES

HON. GORDON S. HARRINGTON, Minister of Public Works and Mines

Use Canadian Coal and Keep Canada Prosperous

OPPORTUNITY FOR INVESTOR LIMITED YET

Larger Companies Have Acquired Holdings and Carry on Development

CAPITAL ATTRACTED

But in Future Speculative Opportunities Equal to Those Elsewhere Will be Given Investor

To date, the public has had little or no opportunity of speculating in mining operations in Nova Scotia. Most of the operations underway have been launched by the larger mining companies which are more appreciative of the mining potentialities of the province than smaller mining organizations. Henceforward though, the intelligent speculator will have just as satisfactory speculative opportunities offered him in Nova Scotia mining as those offered by other mineral provinces of the Dominion. That Nova Scotia has the ore bodies and can produce the gold is proved. The mines did so under the old time, wasteful methods then in force. This opinion is backed up by the fact that such large mining operators as the British Metals Corporation and the Huronian Belt Company have become interested in the field. There can be no doubt that both companies have obtained the best mining advice in their expansion program in Nova Scotia.

New Capital Flowing In

A wider realization and appreciation of the potentialities of modern mining and milling methods in Nova Scotia is what is now attracting new capital for mineral development to the province. While the output of gold from Nova Scotia has only begun to increase within the last three years, it is interesting to note that Nova Scotia has produced gold every year — even during the period at which mining development was at its ebb. Some of the companies in Nova Scotia have mills in operation. These mills are not comparable in size to the larger producers of Ontario. Nevertheless one or two of them have paid their way for years and indeed have also paid the cost of underground development over a period of years. In the past, these promising little developments have been handicapped. They have found it impossible to obtain sufficient financing to permit large underground development and the blocking out of ore bodies of a size sufficient to warrant the erection of large tonnage, low cost milling plants.

But a change has come; not only in Nova Scotia, but throughout the rest of the Dominion. To the larger companies has come the realization that Nova Scotia has large millable ore bodies. To-day, financing for these prospects has been obtained. As the individual properties meet with success, the easier it will be to obtain financing for further development in other territories and in other mines.

Nova Scotia needs only money and energy to apply modern mining methods and to become a large producer of gold and other minerals. Funds have already begun to flow eastward to develop the province's mineral areas and with the natural energy of the Nova Scotian people aroused, the province is beginning to experience the results which are bound to follow the economic, modern development of its mineral territories. The work now underway is simply a prelude to a resulting mining achievement, comparable to the other successful camps in the Dominion.

$40,000,000 in Gold Has Come from Mines' Operations in Past

Official Figures Cover Only Half Real Output — Nova Scotia Ores Are of a High Grade — Past Record Indicates Good Future for Industry

Nova Scotia has produced probably in all some $40,000,000 of gold. The official figures since 1862 show a total of 967,000 ounces which at $20 an ounce, makes a total of close to $20,000,000.

But the official figures only cover about half the real output. In the early days, many of the operators did not make returns. Then, too, there was a lot of bootlegging done by the miners. Thousands of rich nuggets were extracted from the ore and sold separately. In places, free gold in the ore is so rich that Nova Scotia operators still have to be on the lookout to guard against dishonest employees. Then, too, there were many small operations where gold was extracted from the rich ore zones simply with a mortar and pestle.

Ore Was of High Grade

From the official gold production figures, though, it is possible to obtain an idea of the grade of ore which has been milled in the province. The total official output to date is 967,169 ounces, which was produced from a total of 2,232,803 tons of ore. These figures show that the yield per ton was about $9—a figure comparable to that obtained in many sections of Northern Ontario. In some Nova Scotian areas, a much lower grade has often been mined and milled very profitably.

But it is not possible to compare Nova Scotia and Ontario, for in Ontario the cyaniding process in use in the mills extracts about 97 per cent. of the gold from the ore. Under the methods used in Nova Scotia, it is probable that not more than 45 per cent. of the gold was taken from the ore. Hence, Nova Scotian miners were milling steadily $18 or $20 a ton ore.

The mercury amalgamation tables used in Nova Scotia will extract a high percentage of the free gold, but throughout the entire province, probably 30 or 40 per cent. of the gold is found in the sulphides. The mercury amalgamation process did not recover this gold and it was lost in the tailings. The mills operating to-day use a wilfley table after the free gold has been taken from the ore by the amalgamating table. The wilfley table takes out the rich concentrates from the tailings known as sulphides. These sulphides later can be smelted and a high percentage of gold obtained.

Nova Scotia contains large ore bodies of a grade more than high enough to produce satisfactory yields, coupled with the frequent occurrence of high grade ore running up to $350 or more, a ton.

The following figures show the gold output of Nova Scotia from 1862 to date, but as has been said, only a proportion of the total output is included in these official figures:

Year	Material Crushed Tons	Gold Oz.	Total Extracted Dwt.	Gr.
1862	6,473	7,275	0	0
1863	17,002	14,001	14	17
1864	21,434	20,032	18	13
1865	24,423	25,454	4	8
1866	32,162	25,204	13	2
1867	31,386	27,341	11	11
1868	32,262	20,514	6	10
1869	35,147	17,868	0	19
1870	30,829	19,866	5	5
1871	30,791	19,227	7	4
1872	17,093	13,094	17	6
1873	17,708	11,852	7	19
1874	13,844	9,140	13	9
1875	14,810	11,208	14	19
1876	15,490	12,038	13	18
1877	17,369	16,882	6	1
1878	17,990	12,577	1	22
1879	15,936	13,801	8	10
1880	14,037	13,234	0	4
1881	15,556	10,756	3	2
1882	12,081	14,107	13	20
1883	25,954	15,446	9	23
1884	25,147	16,059	8	17
1885	28,890	22,202	12	20
1886	29,010	23,362	15	13
1887	22,280	21,211	7	18
1888	36,178	22,407	13	10
1889	39,160	26,155	6	13
1890	42,749	24,359	9	9
1891	35,212	23,391	0	0
1892	33,633	21,080	3	18
1893	28,040	14,030	5	7
1894	39,333	14,980	7	13
1895	58,082	22,112	7	21
1896	65,873	25,596	14	6
1897	76,559	26,579	19	21
1898	86,331	31,104	17	0
1899	104,122	27,772	12	3
1900	65,744	30,399	4	14
1901	87,992	30,537	14	0
1902	192,076	28,279	5	13
1903	92,645	25,198	4	18
1904	62,616	14,279	8	14
1905	72,252	16,782	11	5
1906	65,278	14,079	13	23
1907	66,060	15,007	5	8
1908	59,797	11,991	0	0
1909	59,058	12,597	12	13
1910	49,558	10,675	13	16
1911	18,319	8,389	12	4
1912	15,868	4,948	19	20
1913	7,324	2,364	12	22
1914	13,156	3,158	4	10
1915	25,204	7,215	1	20
1916	18,354	4,963	7	13
1917	5,916	2,295	16	5
1918	1,630	1,279	3	11
1919	1,362	935	13	3
1920	858	744	10	15
1921	1,650	378	17	6
1922	4,837	865	6	13
1923	2,273	535	11	13
1924	1,779	750	3	3
1925	7,749½	1,526	3	3
1926	7,224½	1,350	10	7
1927	15,847	2,306	9	12
Total	2,232,803	967,169		

Novamac Mines & Power

Promising Development Well Under Way — Mills Producing Bullion — Outlook Satisfactory — Company Being Financed

The record of the Novamac Mines and Power Corporation since its inception has been eminently satisfactory. The company has concentrated its energies entirely on the vigorous development of its properties which give many indications of developing into large mining undertakings.

The operations of the company are featured in the official report on the mines of the province, issued by the government of Nova Scotia covering the 1927 fiscal year. The report says that success is attending the operations of the corporation's mine at Goldenville, where the method of working belts of low grade ore, in preference to the "high grading" method followed in former years throughout the district, has been adopted. The methods of mining and development are quite similar to those followed in the gold camps of Northern Ontario.

Extent of The Holdings

The Novamac owns in all four properties in Guysborough county comprising some 900 mining areas. The Sherbrooke gold district, in which the properties are located, is recognized as one of the outstanding gold districts of the province and gold bullion totalling $10,000,000 has been recovered in the past from mines in this area.

The largest and most important holdings of the company consist of 529 mining areas at Goldenville. Recently, on the 260 foot level at this property the company made a spectacular strike of a new belt seven feet in width which had never before been touched. Specimens taken from the face of the drift run to 500 ounces of gold to the ton. The ore blocked out on this property runs to 500,000 tons. The company intends to block out ultimately from between two to three million tons.

Underground Work at Property

The main shaft at the Goldenville property is down 260 feet. A winze has been driven down to the 400 foot level and under-cutting has commenced to extend the main shaft down to this depth.

On the property there is a twenty stamp mill in operation and foundations have been laid for an additional twenty stamps which are to be added to the mill as soon as underground development work warrants this expansion. The additional milling equipment is on the property. The mill on this property has been operating at a profit during the past six years and last year crushed 14,055 tons of ore which yielded some $37,000 in gold. Underground development work is being steadily pushed ahead on the property.

Cochran Hill Operations

The next largest operation of the company is being conducted at the Cochran Hill properties located about 8½ miles from Goldenville. The ten stamp mill on this property was completed during the past year and test runs only have been conducted to date. In 1927 the mill on these test runs from development ore produced between $3,000 to $4,000 in gold.

During 1927 the main shaft at Cochran Hill was sunk further 125 feet making a total of 250 feet. In all there are 3 shafts on the property down to a depth of between 200 and 300 feet. On this property there is also about 500,000 tons of ore blocked out. As on the Goldenville property, a large amount of drifting and cross-cutting has been carried out. Power for the plant is supplied by an 85 horsepower semi-diesel engine. The total holdings at Cochran Hill amount to about 175 acres.

Third and Fourth Groups

Novamac's third group of claims are located at Ecum Secum. Three shafts have been sunk on this property by former operators and drifts and cross-cuts total some 1400 feet. This property was one of the richest worked in Nova Scotia. It is located about 5 miles from Goldenville. The showings warrant further development work.

The company's fourth group of mining claims consisting of 30 mining areas are located at Crow's Nest about two miles from the Cochran Hill holdings. The company is not carrying on operations either at Crow's Nest or at Ecum Secum, but is confining its development to vigorous underground work at the Cochran Hill and Goldenville mines.

Owns Valuable Rights

In addition to its mineral holdings, Novamac owns power rights on the Liscomb river which flows through some of the holdings. At present, a 550 horsepower plant is supplying power to the Goldenville mines; this year, two 1000 generating units will be added to the power plant. This will allow vigorous underground development both at Goldenville and at Cochran Hill. It is intended to erect a high tension transmission line to the Cochran Hill holdings. The potential capacity of the company's power sites is about 12,000 horsepower.

The Novamac management is working along modern lines and the results achieved to date indicate that a mine or mines will be built up in this area which in the scale of their operations will be comparable to successful mining operations elsewhere in the Dominion.

New Financing Arrangements

Novamac has just concluded negotiations which assure the company of sufficient financing to carry on the underground development work. Work will be pushed underground until the ore reserves are such as to warrant the expansion of the mills to a capacity of handling 500 tons or more daily.

In any consideration of Novamac in particular, and gold mining in Nova Scotia in general, it is interesting to note that for some years the Goldenville property carried itself financially even with its present small milling capacity.

The financing of the corporation is being undertaken to permit placing the properties on a larger and more economical production basis. The capacity of the Goldenville mill amounts to between 50 and 60 tons daily.

Head office: Halifax, N. S. Authorized capital: $5,000,000 in shares of $1 par value. Outstanding: $2,300,000, some of which is in the hands of trustees and later will be sold to provide further financing.

Officers and Directors: A. J. Oake, pres.; Hugh A. Troyte-Bullock, vice-pres.; L. D. Morris, sec.-treas.; C. S. Morton, M.D., Albert Chappell, J. Petite, W. E. Bremner, directors. Engineer: E. H. Henderson.

Pioneer Mining

Has Optioned and is Developing Several N.S. Properties — Has Strong Financial Backing

The Pioneer Mining Corporation has become largely interested in Nova Scotia Metallics. The advent of this corporation into the Nova Scotia mining field indicates something of the metallic possibilities of the province, for the Pioneer Mining Corporation is backed by a strong group of British and Canadian mining interests. It is amply financed and in its work is closely associated with the Huronian Belt Company which has a large interest in mines throughout the world.

The Pioneer Mining Corporation has optioned a copper property at George's River, Cape Breton county. Work is being carried on there at the present time. The old shaft has been dewatered and development work is being continued.

Options Several Properties

An option has been taken also on the gold property owned by the MacGregor interests of New Glasgow. It is located in the Fifteen Mile Stream district in Halifax county, about 60 to 70 miles east of Halifax. No underground work has been undertaken on this property yet, but diamond drilling has begun.

An option has been acquired also on the auriferous antimony deposits at West Gore, Hants County, worked prior to the war. Surface trenching is underway on this property. The ore is in the form of a gold-bearing antimony sulphide known as stibnite.

Another copper property has been optioned at Whycocomagh. The Pioneer Mining Corporation is continuing the surface work commenced by the owners. It is understood that the Pioneer Mining Corporation has acquired still other options in Nova Scotia and will expand its interests in the province.

Many Large Interests

The company was formed to carry on an exploration and mining business in Canada and as a first step acquired the assets of three exploration syndicates operating in Eastern Canada. The assets of the corporation consist of shares, claims, options and interests in mining companies and properties in Ontario, Quebec and Nova Scotia.

The corporation owns the stock control of the Copper Gold Mines and holds properties in Kirkland Lake, Gaspé and Clear Water Lake. Lake.

Address: 302 Bay St., Toronto.

Incorporated, 1926, Ontario. Capitalization: $5,000,000; par value, $1; issued 1,675,000 shares.

Directors: F. H. Hamilton, pres.; Rt. Hon. Sir Robert Borden, G.C.M.G., vice-pres.; C. H. A. Armstrong, M. F. LaCroix, Sir A. Hamilton Grant, W. H. Stafford, D. I. McLeod, E. Turk; R. S. Dening, managing director.

Huronian Belt

Strong Company Options Excellent Wine Harbour Properties

One of the most optimistic indications of the future of precious metal mining in Nova Scotia is the number of large and financially strong mining groups entering the field. One of these is the Huronian Belt Company which has optioned a large property in the Wine Harbor Gold District. The Huronian Belt has optioned virtually the whole of the area. Work on the properties has not commenced as yet. The area is owned by a Halifax group.

The official reports of the province of Nova Scotia, which in reality shows only a portion of the gold extracted, show that the Wine Harbor areas produced between 1862 and 1907, almost $1,000,000 in gold, from 76,000 tons of ore. In other words, the ore ran to about $13 a ton. Moreover these figures show only an extraction of about 50 per cent of the gold.

The Huronian Belt Company is interested in many Canadian mining enterprises and has met with a great deal of very encouraging success in the past. The company's annual reports do not list its holdings, nor their extent. The last balance sheet vailable, covering the year ending June, 1925, showed the cost of shares and interests acquired at £162,692,-135.

The company is largely interested in the Keeley mine, Vipond Consolidated, Canadian Lorraine, Keeley Extension, Noranda, Pioneer Mining Company, W. J. Mine, Caribou Lorraine, and also owns a large block of share in the Associated Gold Mines of West Australia, which in turn is also interested in the foregoing and other Canadian properties. Huronian Belt is associated also with the Pioneer Mining Corporation which in turn is largely interested in several Nova Scotian properties.

Canadian offices: 302 Bay St., Toronto. Head office, W. L. New, sec., Friars House, New Broad St., London, E.C. 2, Eng.

Directors: F. H. Hamilton, chairman; Eric Turk, E. T. McCarthy, Sir A. Hamilton Grant; R. S. Dening.

Incorporated 1914, Ontario.

Capital: £200,000, par £1; issued and paid.

Cameron Syndicate

In the Renfrew District, a syndicate headed by G. A. Cameron obtained an option on the property held formerly by M. J. O'Brien. In 1927 little work was done on the property, but half a ton of sample ore yielded 39 ounces of gold. Further work on this property will be carried out this summer. It is understood that a New Glasgow group headed by G. M. Graham is now interested in the property.

MacGregor Syndicate

It is understood that the properties formerly operated by the J. T. and J. B. MacGregor Syndicate of New Glasgow in the Fifteen Mile Stream district, have been optioned to the Pioneer Mining Corporation.

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MINING MAPS AND NEWS

One recent issue of the *Canadian Mining Gazette* contained no less than five separate maps of the various Canadian mining fields. Some of these contained information never before published.

In each issue there appear clear-cut analyses of the leading properties in each camp, and a statement of their prospects. The field covered by the Gazette extends from Nova Scotia to Vancouver Island and its opinions are based on the advice of experienced engineers.

It will pay to keep posted on the Gazette's opinion.

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MANY CHANGES IN MINING LAWS ARE BENEFICIAL

Holders of Areas Were Forced to Begin Work or Drop Holdings

GOOD LAWS ADOPTED

N.S. Mining Laws Now Similar to Those Prevailing in Ontario and in Quebec

The changes made in the mining laws of the province of Nova Scotia about a year ago have received the support of the mining interests throughout the province. Under the former law, holders of rights were not required to carry out any work and the small mining areas of 250 by 150 feet led to many abuses. Both factors led to the stagnation of the metallic mining industry.

Now the Nova Scotia mining laws are similar to those in force in Ontario and Quebec. Minerals are divided into two groups, gold and silver and minerals other than gold and silver. The precious metal mining areas remain the same size, but leases are granted for not less than 20 areas upon application to the government. The leases are subject to an annual rental of 50 cents per area. Until March 31, 1932, there are no royalties on production of gold and silver.

To search for silver and gold, prospecting licenses must be obtained from the Department of Mines. But licenses are not issued for areas in a proclaimed gold district. The license may cover not less than 20 areas.

Licenses Granted by Minister

The licenses granting the right to search for minerals other than gold or silver are granted by the Minister of Mines. Licenses cover definite tracts. Leases may be obtained covering a tract not exceeding one square mile and not more than two mills in length. Both licenses and leases are subject to compulsory work. With gold and silver the amount of work required is two days work per year for each area. With other minerals the amount of work required is equal to the work of one man for a hundred days for each square mile or less under license; and three men for 200 days for each square mile under lease.

Royalties on minerals are payable as follows: Coal 12½ cents upon every ton of coal removed from the mines, save the coal used in mining operations and by the workmen. Copper, 4 cents for every unit, that is upon every one per cent. of copper contained in each ton of copper ore sold or smelted. Lead, 2 cents upon every unit. The units are the same as in copper. Zinc, 2 cents upon every unit. Iron, 5 cents on every ton of ore sold or smelted. Other minerals, 5 per cent. of their value.

British Metals Corp.

Is Obtaining Good Results from Large Scale Development in Zinc Ores of Cape Breton

Another of the large and amply financed mining companies carrying on energetic development work in Nova Scotia is the British Metals Corporation (Canada), which is engaged in working a promising zinc deposit at Sterling, Richmond county. In its operations, since it acquired the property from the American Cynamid Company two years ago, the company has been successful.

Milling has not yet commenced at the property, but the satisfactory results obtained in 1927 are still being continued. Operations commenced at this property in the spring of 1927.

The ore consists of an intimate mixture of iron, zinc-lead and copper sulphides, carrying some silver values. During the 1927 fiscal year the company carried out 1,200 feet of drifting underground. In 1927 an electrical survey was also made of the property. The company has largely increased the equipment at the mine and has erected a new shaft house and head frame together with other surface buildings.

The company also owns another property at Smithfield, in Colchester county. Some development work was carried out on these holdings which contain some lead ore bodies, but work has been concentrated on the Cape Breton zinc deposits. Apparently, successful results were not achieved in the Smithfield holdings.

The complex nature of the Sterling ore will eventually bring up milling problems, which, however, can be overcome.

Big Harbor Gypsum

Syndicate Organized to Develop Property — Holdings Regarded Favorably in Nova Scotia

The Big Harbor Gypsum Syndicate has been formed to acquire an option on rich deposits of gypsum located on Boularderie Island, Island Point, Victoria County, Cape Breton Island. The property is regarded favorably in mining circles in Nova Scotia. The syndicate has engineers' reports on the property which estimate that there are at least ten million tons of gypsum in the deposit.

The property can be worked easily, labor can be obtained and the output can be shipped by water. There is a satisfactory market for the production. The output of gypsum in Canada, due to the increasing variety of uses to which the mineral is put, has been steadily increasing in recent years. Hence the satisfactory results attending the gypsum operations in Nova Scotia in recent years.

The syndicate is being financed by an offering of 3,500 units at $50 each. Ultimately it is intended to form a company known as the Big Harbor Gypsum Corporation which will be capitalized at 5,000,000 shares. Each unit holder will receive 500 shares of the capital stock of the company for each syndicate unit.

Scotia Diatom

Company Organized Last Year to Develop Diatomaceous Earth Deposits

The Scotia Diatom Products was formed in 1927 to develop the diatomaceous earth deposits on Digby Neck, Nova Scotia. The plant is situated at Tidville, two miles south west of Little River, Digby Neck, where is located a large diatomaceous earth deposit. The company installed, and has just completed a large rotary kiln with the necessary equipment to work the deposit on a commercial scale. The nearest point for water shipment is at Little River two miles from the deposit. The plant is just being put into operation.

The raw material is diatomite. It consists of small silica air cells known as diatoms. The finished products have many uses, chief of which are insulators and safety mixtures with cement and concrete.

There is one other diatomaceous earth operator in Nova Scotia. It is a private company and finds a ready market for its output in the U. S. The Scotia Diatom Products is controlled by a Montreal group. There is some, but not wide investment interest in the company. The outlook for its future operations is satisfactory.

Papke & Goudry Syndicate

Some two years ago the Papke and Goudry syndicate commenced operations in the Beaver Dam district. The Austin shaft was unwatered and some underground work was carried out together with diamond drilling. No work is being carried out on the property now and it is understood that the results achieved there were not sufficient to warrant further development.

Bower Mining

Drops Gold Operations and Develops Promising Adjacent Lead Property

The Bower Mining Company, a U.S. organization, has carried out a large amount of successful development work on its mine in the Kemptville district. In 1927 a large amount of drifting and cross-cutting was carried out. The main shaft is down 150 feet on the property. The shaft has three compartments and a ten stamp mill is located on the property which is regarded only as a test plant. The company is amply financed.

During the past year the company's surface equipment was augmented by a blacksmith's shop; a dry house; an assay office and plant; an air compressor driven by a diesel engine; a steam hoist on the number 2 shaft; and an electric generator and wiring to light the plant and shaft house.

During the past winter, however, the company discontinued its development work on its gold mine and commenced surface development on an adjacent lead property, on which the showings were considered to be very favorable. Test pits have been sunk and it is expected that during the current year the operations will be concentrated on the lead property rather than on the gold mine.

Victory Gold

The Victory Gold Mines in 1927 acquired a large block of areas at Goldboro, and an option on claims at Lower Seal Harbor. The last property was worked this winter and the shaft is down 100 feet where cross-cutting and drifting is being carried on.

The shaft on the Goldfinch property is being kept pumped out. At the Goldfinch property, a 125 horsepower diesel engine provides the power to operate a 300 cubic foot air compressor and for other equipment. The company has a ten stamp mill in operation which is used as a test plant for the ore from the Goldfinch and Seal Harbor operations.

At its inception the company received some unfavorable notoriety due to the high pressure methods of a group in Boston which had secured a block of the stock and promptly endeavored to unload it at an optimistic price.

Indian Path Gold

No development work is at present underway on the scheelite and gold areas owned by the Indian Path Gold Prospecting Syndicate at Indian Path, Lunenburg county, Nova Scotia, but the syndicate intends to carry out some further work on the properties this summer.

The areas contain large bodies of comparatively low grade gold and high grade scheelite, a tungsten ore. The gold in the ore is secondary to its scheelite content. There is a possibility that new interests may take an interest in the holdings shortly.

CANADIAN NATIONAL RAILWAYS

Department of Natural Resources

"Present mining methods utterly hopeless; nevertheless, Nova Scotia eventually will have a gold mining industry of such economic importance that it will change the whole mental outlook of its people"—
Frank D. Taylor.

WHEN Frank D. Taylor, eminent mining engineer of his period, made this observation nearly thirty years ago, gold mining in Nova Scotia had so languished that the confidence of people in the latent potentialities of the Province was shaken.

Costly power, more or less obsolete mining methods, inadequate ore reserves, lack of knowledge of geological conditions and costly mills not warranted by development, all contributed to the disfavour into which the gold mining industry of the Province fell in the eyes of Canadians. The discoveries at Cobalt, Porcupine and Kirkland Lake, too, aided not in its resuscitation, as they presented opportunities at closer range than the Atlantic seaboard.

Faith in the Province of Nova Scotia led the Department of Natural Resources, in 1926, with the co-operation of the Provincial Department of Mines, to delegate Sir Stopford Brunton, the noted mining engineer, to make an economic survey of the gold fields of Nova Scotia, which was accomplished with gratifying results. This and the important changes in the existing mining act have already produced a far-reaching effect, which may be seen in the fact that last year ten times as many properties were operating as there were three years ago. The year 1928 bids fair to be a halcyon one for the Nova Scotia gold mining industry.

We have much data on mining properties in the Province and our records are available to interested parties.

C. N. R. General Offices,
Montreal, Que.

C. PRICE-GREEN,
Commissioner

STEEL

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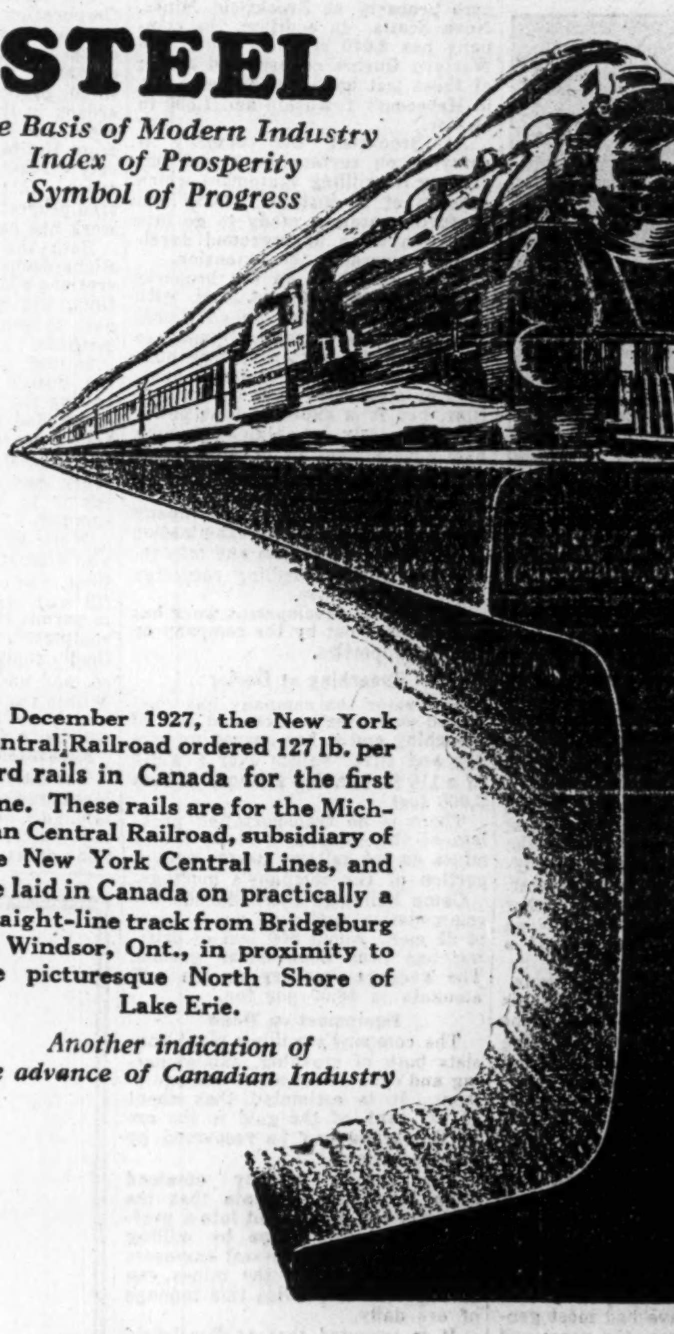

In December 1927, the New York Central Railroad ordered 127 lb. per yard rails in Canada for the first time. These rails are for the Michigan Central Railroad, subsidiary of the New York Central Lines, and are laid in Canada on practically a straight-line track from Bridgeburg to Windsor, Ont., in proximity to the picturesque North Shore of Lake Erie.

Another indication of the advance of Canadian Industry

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Sydney, N.S.

Dennis Heads Group Organized to Survey N.S. Mine Resources

Leading Citizens Plan Research Work in Gold Areas

NOT A PROMOTION

Is Not Intention of Group to Sell Stock to Public—Part of Big Campaign

W. H. DENNIS

Special Correspondence

HALIFAX.—A thorough investigation of the possibilities of Nova Scotia in metal mining is proposed, by a group of leading citizens, and already plans for the carrying out of this investigation are under way. The work will include systematic searches for metals, both precious and base, in paying quantities, to the end of achieving the establishment of producing mines.

Strong mining interests will have the co-operation of a representative group of Nova Scotia business men, who have pledged their support to such an investigation as will establish definitely the extent of the metallic mineral resources of the province.

Dennis Brings Group Together

W. H. Dennis, publisher of the Halifax Herald, who has been successful in bringing together leaders in Nova Scotia business and industry and representatives of mining interests under whose direction the investigation is to be made, stated the purpose of the movement to a representative of The Financial Post. "Briefly," he said, "the proposal is to determine, just what we have in metal mining possibilities in Nova Scotia. We believe we have these resources in volume and extent sufficient to form the basis of a successful metal mining industry. But this is only a belief. We cannot be sure until the whole field is placed under expert and dependable scrutiny; and until we are sure, it is felt that the interests of the public should be protected."

Mr. Dennis makes it clear that this is not in any sense a "promotion scheme," but a sound and legitimate enterprise to discover just what lies beneath the surface in Nova Scotia. "So far as those associated with the movement are concerned," he said, "it is their desire for a disclosure of the facts and their hope that these facts will substantiate the belief they now hold. But it cannot be made too plain that the gentlemen who are co-operating in this investigation, while they are willing to risk their own money in the early stages, in the interests of the province, have no thought of approaching the public with anything that would remotely resemble a stock promotion scheme. Of course, I understand that there is always an element of chance in mining, but I cannot be too clearly understood when I emphasize the fact that the early stages of this investigation are to be financed by citizens of Nova Scotia who are willing to spend that much in a disclosure of the actual facts."

Do Things for Themselves

This, Mr. Dennis observed, was an evidence of a growing determination on the part of Nova Scotians to do things for themselves. It was, he pointed out, a natural outgrowth of the campaign for the betterment of the province, that men could now be found here who were willing to come forward and spend their own money in order to assist Nova Scotia. "If the investigation proves the value of Nova Scotia as a metal mining field," he went on, "these men will stand to profit from their investment; if not, they will be willing to spend their money with the feeling that they have been able to co-operate in establishing, once and for all, the true facts. All this may sound altruistic," he observed, "and it is. Perhaps it is a new experience to find them coming forward to join a movement such as this and to back it with their own resources. We know that it does not square with what some may call "hard-headed business.' But there it is; it is being done, and that is the best proof of the bona fides of the movement.

"The men who are identified with this movement are among the most successful in Nova Scotia, men who would not lend their names to anything of a questionable character. They are men who are behind other movements in the interests of Nova Scotia welfare; and that in itself is an earnest of their sincerity."

Part of Development Campaigns

There was no desire, Mr. Dennis said, to attempt to discredit the work already undertaken in mining in Nova Scotia. It was felt that all engaged in bona fide enterprise of this character would welcome the launching of such a movement. If the resources are here, it would help them; if not, it was better to know it now than to go on with the risk of having people putting their money into ventures, only to lose it.

"This movement," Mr. Dennis concluded, "is part of the campaign for Nova Scotia development. We in this province have had most generous assistance from the press and public of the other parts of Canada, but we know that we must do things for ourselves. Thanks to the assistance of such strong Canadian publications as The Financial Post, Nova Scotia and the other provinces of the Maritimes have been able to place their case clearly and honestly before the Canadian people as a whole. The support we have received has inspired new confidence and a courage and resolve to go forward. This we are now doing; and if through this new mining movement there can be discovered and proved fresh sources of Nova Scotia wealth, the men who are backing it will be well pleased. At all events, they are willing to pool their resources in an investigation of the prospects, be the results what they may."

Oxford Tripoli

The pioneer in its industry in Canada, if not for the whole of North America, is a private organization which for the past thirty years has been producing small quantities of a very high grade material in Colchester County, Nova Scotia. This is the Oxford Tripoli Company, which has its market outlet in the United States, namely, through the polish trade.

At the extensive Digby Neck deposits where there are a total of nine distinct beds of material, two have been carefully measured on the basis of their tonnage of the marketable product, and definitely show a total of three-quarters of a million tons. Besides these two there are seven others. These beds, which extend a distance of four miles from end to end, are controlled and operated by Scotia Diatom Products Ltd., who have been gradually carrying through the development work of the property, testing the quality of the material, and establishing the plant necessary for its production. It is understood that this plant is now on the eve of entering production, and good progress has been made towards the establishing of a permanent market.

Acadia Exploration

Company Has Holdings in Both Quebec and Scotia

The Acadia Exploration Company controls and is developing a 350 acre property at Brookfield Mines, Nova Scotia. In addition, the company has 2,040 acres in the North Western Quebec copper gold areas; of these last holdings 520 acres are in Hebecourt Township and 1,520 in Destor.

At Brookfield the company is carrying on surface work and improving its milling equipment which consists of 15 installed stamp and 10 further stamps ready to go into operation when underground development warrants the extension.

The main shaft on the property is down to the 165-foot level, with a winze driven down an additional 110 feet. The company intends to sink the main shaft a further hundred feet. The mill is being operated by steam power at the present time, but it is expected that power will ultimately be obtained from a new development to be undertaken by the Nova Scotia power commission.

At the present time, the company is making a thorough examination of its Rouyn properties and may initiate a diamond drilling campaign there this summer.

Substantial development work has been carried out by the company on all its properties.

Trenching at Destor

In Destor the company has completed well over a thousand feet of trenching and it has opened up copper and silver values over a width of a 112 feet having a length of over 3,000 feet.

There is no transportation problem at the company's Nova Scotia mines as the railway passes over a portion of the company's holdings.

Camp buildings there include accommodation sufficient for a crew of 25 men. About 800 feet of drifting has been done under ground. The average recovery at the mill amounts to $8.50 per ton.

Equipment on Hand

The company's milling plant consists both of crushing, amalgamating and cyanide concentration equipment. It is estimated that about 75 per cent. of the gold in the ore in Brookfield can be recovered by amalgamation.

The results already obtained from Brookfield, indicate that the property can be brought into a profitable producing stage by milling 30 tons a day and several engineers have reported that the mines can be expected to provide this tonnage of ore daily.

It is expected that at Brookfield a tonnage of good average grade ore will rapidly be placed in sight. When reserves are sufficient to guarantee a long uninterrupted mill run, the capacity of mill will be expanded and placed in a position to obtain the best and most economical result.

Capitalization.—Authorized, 500,000 shares; issued 270,000 shares; par value $1.00.

Directors.—Georges Couillard, president; Lt.-Col. H. Gagnon, vice-president; Wm. Papke, 2nd vice-president; J. E. Vallee, managing director and secretary treasurer; L. A. Gaudry, J. Edgar Cote, Maurice Boisvert and M. Pelletier.

Metals Mining Corporation

To Employ Modern Mining Methods Operating Historic Gold Property

The Metals Mining and Smelting Corporation of Canada, which came into being in 1926, promises to become one of the outstanding metal operators in Nova Scotia. It owns three properties, the Boston-Richardson in the Stormont district, the Montague Mine, located some 7 miles from Halifax, and a tungsten property covering an area of five square miles. There is a shaft on the tungsten property, but little underground work has been carried on.

Both the Montague and Boston-Richardson properties were old operations which had been idle for some time, and which the company took over to work under modern mining methods.

In 1926, equipment was installed at the Boston Richardson for concentrating the tailings from the original dump, and some 400 tons of concentrates were shipped to Belgium. and 2,000, was to Australia. Work has since been discontinued, but is to be resumed this coming summer.

Work at the Montague Mine was also discontinued after initial operations, and the shaft was allowed to fill with water. Work was stopped to permit the installation of further equipment. This has now been practically completed, the shaft dewatered, and underground work resumed. Within the next couple of weeks it is anticipated that both mine and mill will be in full operation.

Recovered 45,000 Ounces of Gold

The Skerry Lead on the company's Montague property played an important part in Nova Scotia's gold mining history. The operation of the mine dates back to 1865. It is some 7,500 feet long and contains approximately 500 acres. Previous operators exposed some 45 parallel veins on which over 1,000 shafts were sunk to depths varying from 100 to 225 feet. According to government reports, a total of 28,000 tons of ore averaging $40 a ton were milled, and 45,000 ounces of gold recovered. It is possible that the actual figures were considerably higher, owing to the fact that the operators were taxed 3 per cent. on their returns by the government, and also because the spectacular showings of free gold is said to have tempted the old miners to adopt decidedly communistic ideas in regard to the fruits of their daily labor.

First to Employ Modern Methods

Metals Mining and Smelting is the first operator which has undertaken to develop this property at depth. Since it took over the mine, a four-compartment shaft has been put down to a depth of 420 feet. This is topped by a 100-foot head frame, the highest of any metal mine in Nova Scotia. A steam hoist has been installed which operates a large double drum and one single drum hoist, each of 6,000 pounds capacity.

The most up-to-date equipment has been installed in the mine, consisting of Ingersoll drifters and stopers operated by electricity. All equipment both underground and in the new mill is electrically driven, with the sole exception of the hoist.

Water is pumped from the sump, which bottoms at 420 feet, by an American Well Works Electric Sinking pump. The main water is encountered at the 300-foot level, where an electrical station pump manufactured by Ingersoll-Rand is used.

Ore raised from the mine is stored in a bin in the head frame. This bin has a capacity of 50 tons and is connected to the mill by a short trestle. The ore empties into storage bins in the mill which feed directly into suspended feeders in the stamp mill. The mill is equipped with ten 1,800 lb. stamps, which treat about 50 tons of ore a day. The ore being soft, consisting of quartz and slate, it carries considerable free gold—70 per cent—which is caught in amalgamation.

Both inside and outside amalgamation is used, followed by table concentration.

The concentrates run from $30 to $100 in gold to the ton, and carry 38 per cent arsenic as well. These are shipped to Australia.

Underground operations are under the direction of J. F. Lyons, an experienced metal mine operator of Sudbury, Ont. At the present time drifting is being carried out on the 400-foot level both east and west, and a cross-cut is being run to the south to connect with three parallel leads on which work is being carried out on the 300-foot level.

Development results to date have been encouraging. At a depth of 425 feet the Skrery Lead has increased in width. A considrable amount of ore is available for the mill and crushing is to start immediately. Present plans call for a comprehensive exploration campaign on the 300 and 400-foot levels, prior to the resuming of operations at depths.

Metals Mining and Smelting undertook the purchase and operation of its three Nova Scotia properties at the instance of its president, A. A. Holland, a mining engineer of many years experience in the Ontario, Alaska and South America mining fields. To date it has invested $150,000 in the development of these properties, and is hopeful of being amply rewarded for its faith in the Nova Scotia metal field.

The officers of Metals Mining and Smelting Corporation are:

President, A. A. Holland, B.Sc., E.M., Toronto; vice-president, Jas. H. Winfield, Halifax; secretary, Ludwig E. Goetz, New York; treasurer, James Farquhar, Halifax. Additional directors, Barnet Aaron, Montreal; Herman Brandt, New York; Hon. J. G. Turiff, Ottawa; Wm. R. Askwith, Toronto; Harvey Obee, Toronto.

Malaga Mining

Malaga Mining Co. carried out a little work on its property in the Malaga district in 1927. The power plant of the mill was repaired and a test crushing of 95 tons yielded 23 ounces of gold. However, the company is not operating at the present time. Ultimately, a reorganization may result in further development.

C.N.R. SURVEYS MINING CHANCES IN NOVA SCOTIA

(Continued from page 15)

subject, but it is generally admitted that it was caused by more or less obsolete methods, costly power, lack of knowledge of geological conditions, lack of development of ore reserves and the erection of mills at great expense not warranted by development. There is no doubt that, had the same methods that have characterized gold mining in Ontario been followed in Nova Scotia, a successful mining industry would have been operated. In 1898, that well-known mining engineer, Frank D. Taylor, spoke of the methods in vogue as being utterly impossible, but expressed the opinion that, 'nevertheless, Nova Scotia eventually will have a gold mining industry of such economic importance that it will change the whole mental outlook of its people.' Everything points toward the fulfilment of this prophecy.

"The renewed activity can be said to be largely due to the interest the Nova Scotia Department of Mines is taking in the development and as an outcome of the discerning and painstaking work of E. R. Faribault of the Geological Survey, Sir Stopford Brunton and other competent geologists and mining engineers who have shed much light on the economic conditions and geology of the area. It must not be forgotten, too, that cheap power is now available which will have far-reaching effects on the cost of both mining and milling. Recently, an economic survey has been made by Sir Stopford Brunton, jointly for the Nova Scotia Department of Mines and the Department of Natural Resources of the Canadian National Railways.

Geological Evidences

With this data, it is now possible to lay before mining engineers a fairly intelligent presentation of the case with more or less detail regarding the production of the promising areas, values of ore extracted and milled and the conclusions to be drawn from this information. It is not necessary to go into the geology or phenomena in connection with the deposition of the gold, upon which somewhat divergent theories are held, further than to say that Dr. W. H. Collins, Director of the Geological Survey, points out that "the gold deposits are nearly all situated around, or in relation to, small bosses, dykes and other granitic bodies of subordinate size"—these secondary intrusive granites being the gold carriers.

"Nova Scotia provides assurance of ample cheap power, also low working costs, due in part to the character of the ore deposits and the unusual accessibility of the gold fields. It offers sound mining opportunities to those who will seek the facts and judge the country on its merits. The following companies have been carrying on preliminary operations: Metals Mining and Smelting Corporation of Canada Limited, Goldboro; the Novamac Mines and Power Corporation controlling the Cochran Hill and Goldenville properties and others; Tangier Mine and Power Company, Tangier; Oldham Mining Corporation, Oldham; Malaga Mining Company, Malaga; Bower Mining Company, Kemptville; Leipsigate Company, Leipsigate. A number of other operations are contemplated, and the immediate future will see much activity in the field."

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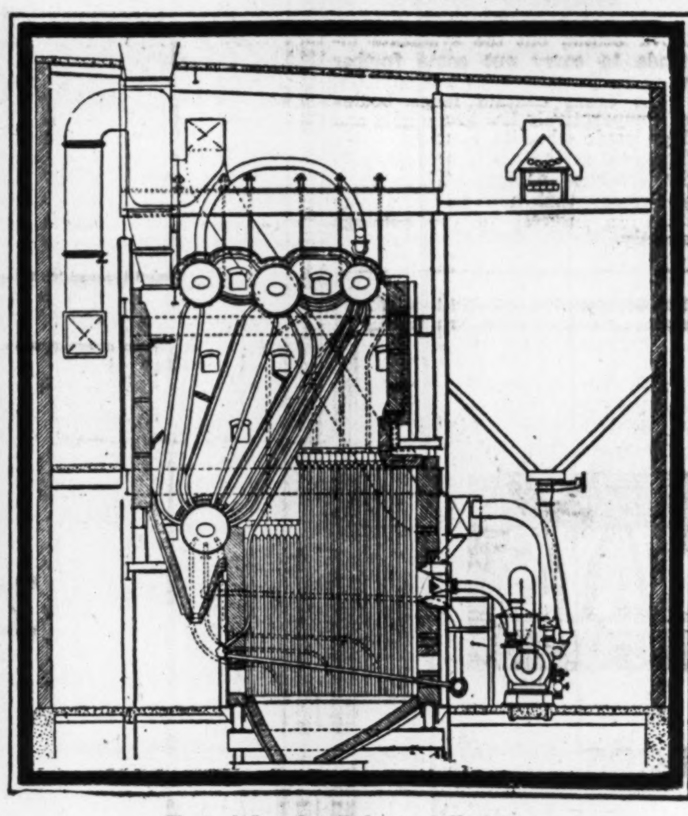
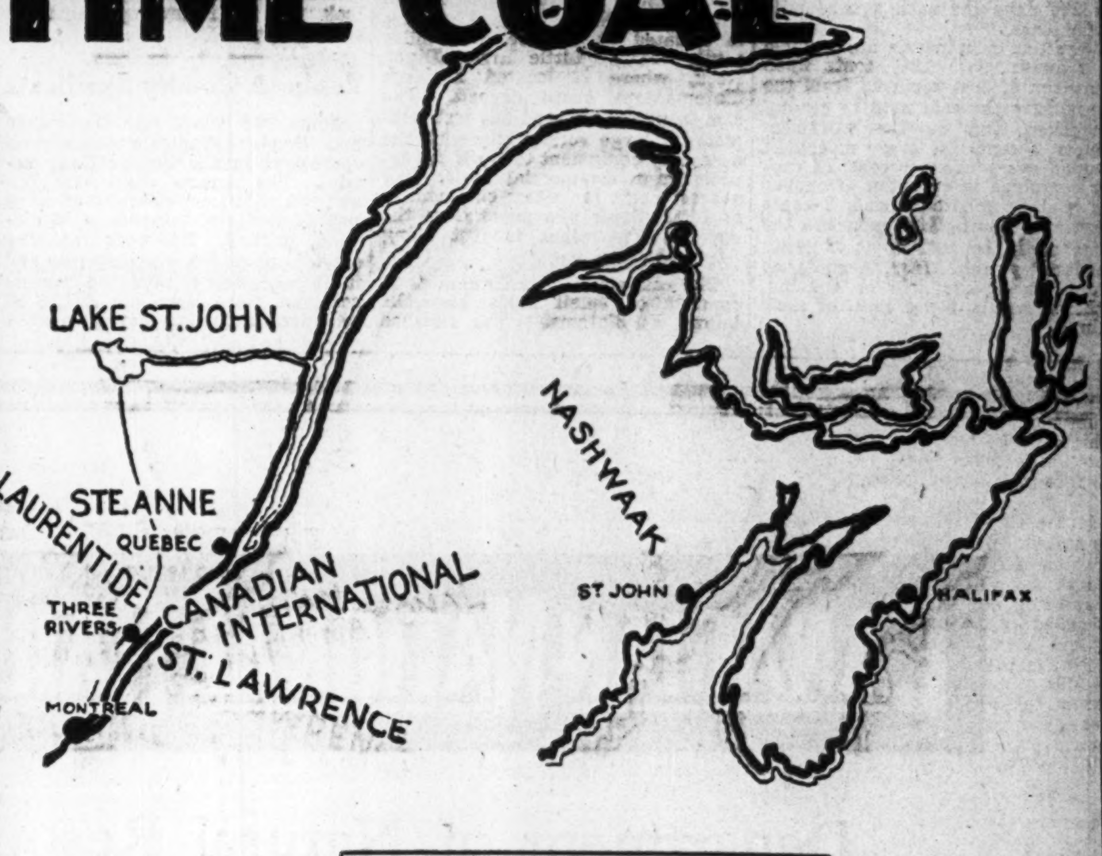


Typical Lopulco Pulverized Fuel System



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Capitalization

Authorized 500,000 shares, Par Value $1.00. Issued 285,000 shares fully paid and non-assessable.

PROPERTIES

325 acres developed and equipped gold property at Brookfield Mines, N.S., and 2,000 acres in Hebecourt and Destor townships, Rouyn - Quebec copper - gold district.

Developments

Underground workings on the Brookfield Mines property total 1,200 feet. The vein is shown to form a distinct shoot over a distance of 1,000 feet in length. Its width, 165 feet down the shaft, attains 7 feet. Mill returns for 300 tons give an average recovery of $8.50 per ton for gold only. The arsenic content is about 5 p.c. of the vein matter.

1,500 feet of trenching has been done in the Rouyn properties. Five mineralized zones have been discovered where assays gave silver and copper results.

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Buildings and Equipments

Camp buildings which include living, boarding and staff accommodation are sufficient for a crew of 25 men. Mine equipment housed at the mill includes: 180 H.P. boilers, hoist, 500 feet capacity, a four drill compressor, 15 installed stamps, 10 more on the ground, 2 Wilfley tables, a cyanide equipment, crusher, 200 tons daily capacity, extra hoist and boiler, pumps, pipings, rails and also a complete assay equipment.

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Ordinary Sampling Useless in Scotia Reports Geologist

Sir Stopford Brunton Shows Important Differences in Structure

ORE IN POCKETS

Systematic Sampling and Assaying Claimed Essential to Success in N.S. Goldfields

One of the most famous sources of information on Nova Scotia mining is the survey of gold districts made during 1927 by Sir Stopford Brunton. This survey in itself covers some 750 pages and in addition there is an important introduction hardly any of which has been printed.

In this hitherto unprinted survey, Sir Stopford makes a very thorough analysis of the ore formation in Nova Scotia, pointing out how it differs from the usual ore formation and how this must be taken into consideration in estimating the possibilities of the province as a gold-producer. The following is an extract from the report:

"The gold occurs throughout Nova Scotia in 'veins,' 'leads,' or 'belts,' and the values are themselves variable to a high degree. Owing to this variability of the values a series of samples and assays is not wholly trustworthy, as some of the assays may be disproportionately high and some inordinately low.

"The opinion of Mr. D'Arcy Weatherbe, for some years Deputy Inspector of Mines for the Province, is instructive: 'It has generally been assumed locally that sampling and assaying as it is understood in the large mining centres of the world, is useless in the gold mines of this province, on account of the erratic occurrence of the gold in pockets and the general irregularity of the ore values. Certainly, in many mines, this fact might present a serious difficulty, but it is doubtful if at the majority of the larger mines intelligent sampling and careful assaying would not prove of great benefit.

Theory Useless

"It certainly proved to be so in one important case during the past year, where it was practically ascertained that for years that portion of the ore-body which had been extracted along the anticlinal axis, should have been left in the mine at a profit, and this in direct contradistinction to the published theory of an accepted authority, who had doubtless based said theory on such evidence as is mentioned above. As a guarantee of his good faith, however, it should be stated that the data he obtained was, through the need of reliable records, probably the best available at the time.'

"Mr. Weatherbe's idea is quite correct and systematic sampling and assaying cannot be neglected without exacting a penalty; an analysis of the plans in the Mines Department shows this; for it is evident that stopes which are 700 or 800 ft. long should not have been more than about 100 feet in order to obtain the rich ore.

"In 1864 the Chief Commissioner for Mines stated: 'In calculating the currency value of gold mines, I have counted it at the rate of $18.50 per ounce, that being the sum at which I am compelled by law to rate it in receiving cash payments for royalty. But in fact its market value is higher than this. The price of smelted gold in Halifax at the commencement of the present year (1864) was $19.75 per ounce; at present it is $19.85; I assume the average at $19.80.'

Price of Gold

"The present royalty is 35 cents per ounce of gold smelted or unsmelted. This royalty is paid on 1,000 fine gold. The price of fine gold is $20.67 per ounce, so that the royalty is equivalent to 1.7 per cent. approximately. As the average fineness of the gold from Nova Scotia appears to warrant a price of $19.50 per oz., this figure has been used in making all calculations.

"In 1880 the Commissioner for Mines reported as follows: 'I would beg leave to call your attention to the indifference shown by our gold miners to the various pyrites contained in our quartz lodes. The percentage present varies of course in every lode and district, from one-half of 1 per cent. to 25 per cent.; but assuming it at an average of 5 per cent. on all material crushed there has been over 19,000 tons of these substances thrown away since returns have been made by millmen. Taking the average of various assays of gold and silver contained in these sulphurets, etc., it will be found that their value is as follows: per ton of 2,000 lbs., gold 2 oz., 4 dwts.; silver 4 oz., 17 dwts.; total value $50.48 not including the values of the copper, nickel and cobalt, which are generally present.' In the historical statements of some of the districts analyses of the pyrites are given."

"Every Confidence"

"I have been a subscriber to The Financial Post for some years and have every confidence in your judgment pertaining to investment matters."

Thus writes a Canadian business man of experience.

Mining in Early Days Was on Crudest Liesn

Wasteful Mining, Costly Power, Lack of Ore Reserves, and High Grading Delayed Development of Province Until the Present

Gold was first noticed in Nova Scotia about 1835, but the first discovery which resulted in any operations was made on the Tangier River in 1868. From 1868 onwards, Nova Scotia steadily produced gold year by year.

Of such a high grade were these discoveries that they were regarded as bonanzas and the claims were fixed at a size of 20 by 50 feet, later to be increased to 50 by 150 feet, and then later to 250 by 150 feet.

How mining was carried on in the early days may be judged, said J. C. Murray in a paper on gold mining in Nova Scotia, when a contemporary writer mentions with awe a milling and mining plant worth $6,000. From the size of the figure, how primitive the methods in vogue may be judged.

At the mining plants, cordwood and coal supplied power through inefficient steam plants. In some places water wheels were used. All in all, power was extremely costly. This coupled with other inefficient methods in vogue at the time is one of the reasons for the irregularity in the annual output from the province. Often, mills were fed by hand and never was there enough ore provided to keep the mills operating steadily.

Hence, it can be seen that only the highest grade of ore was mined under these conditions. When a tub of ore arrived at the top of the shaft, unless it contained a lot of visible gold it was simply thrown away on the dump, although in many instances it was as good, or better than the ore sent to the mill.

For many years, people in Nova Scotia have worked over these dumps; sometimes using a hand motor and pestle, and sometimes putting small stamp mills into commission. For a number of years this was a regular vocation of a large number of workers. Some of them made a good living out of it. Even at that, it is to be doubted if they saved more than 40 per cent. of the gold in the ore they treated.

Costly and wastful mining and milling; costly power; lack of ore reserves; "high-grading" the ore; the attractions of other mining fields are the chief reasons why mineral development in Nova Scotia has been delayed until the present time. So recently as last autumn one company was making a profit on milling and treating the tailings of one of the old mills.

Acadia Gold

Operated by U.S. Interests — One of the Larger Mineral Projects

The Acadia Gold Mining Company is developing its properties located at Oldham, about 30 miles from Halifax. Operations commenced on the property about two years ago. The old shaft goes down 1900 feet at an angle of 45 degrees.

The present operators will ultimately sink a new shaft. Extensive underground work and cross cutting operations have been carried out by the Chicago interest which owns the property.

Up to last summer, the company did no milling, but the re-equipment of its old mill and the installation of new machinery allowed milling operations to recommence.

However, the company ran into milling difficulties which necessitated the readjustment of some of the equipment in the mill. This has now been completed and the company is operating a ten stamp mill with a capacity of about 50 tons a day.

During the twelve months ending September last, the fiscal year of the province, the mill crushed on test runs 710 tons of ore which yielded 250 ounces of gold.

The Acadia Company's work at Oldfield appears to be a genuine amply financed mining effort. The company is working in one of the oldest mining areas of the province. The results achieved on this property coupled with the energetic development under way is one of the encouraging signs of the progress being made in the development of the precious mineral areas of Nova Scotia. The operations of the small mill should help in a measure to bear the cost of the company's underground developments.

Malagash Salt

Success Attends Company's Operations—Was Financed in Recent Months

Success seems to be attending the operations of the Malagash Salt Company in which there is a large investment interest, particularly in the Maritime provinces. The expansion of the company was financed by the sale of a bond issue carrying a bonus of common stock towards the close of 1927. The Malagash salt deposits are of national importance for they are the only salt deposits being developed on the Atlantic seaboard. Unlike other salt enterprises in Canada, the rock salt is mined underground. The deposits are virtually inexhaustible. Mining is being carried out at a depth of 200 feet and the definite occurrences of potash which have been found in the mines indicate that the company may also become a potash producer.

The predecessor company of the Malagash Salt was started originally in 1917 and sales and production have steadily increased since that date. The company's mineral rights cover 9 square miles of land from which the plant is producing and marketing on a profitable basis all grades of salt. The product compares favorably in quality and cost with others on the market. The importance of the salt industry operating near the Maritime provinces' and Newfoundland's fishing industry is apparent. The future of the company appears bright.

GAIN IN PAST NO KNOWLEDGE OF DEPOSITS

This Has Delayed Larger Development Until Present Time

IMPROPER METHODS

Present Operators Beginning to Obtain Some Real Knowledge of the Structures

No real knowledge of the ore deposits of Nova Scotia has been developed from former mining operations. Underground development work in the past has provided the present operators with no real knowledge of the structures which they are encountering.

The reason for this unfortunate situation lies in the fact that mining operations in the past were carried on by those entirely inexperienced in commercial mining, with insufficient capital and by improper methods. No attempt until a year or so ago has been made to explore the various mineral deposits of Nova Scotia by any organization which makes a business of mining and has operated successfully elsewhere. Moreover, in former days, the operators did not have the knowledge to be able to present to the provincial government the facts which would allow the proper compilation of material which, when co-ordinated, would present a complete picture of the mineral deposits of the province.

Information Is Scarce

The available information on Nova Scotia is notable only in its paucity. There have often been comparisons made betwen the Novia Scotian fields and one of the Australian fields, but recent operations in both places indicate that the conditions are not identical.

The one unfavorable report on the Nova Scotia gold deposits was made in 1906 by T. A. Rickard. The views expressed in his report had much to do with curtailing the output of gold. But Sir Stopford Brunton, mining geologist, who of recent months has been studying the geology of the province and who has added much to the knowledge of Nova Scotia minerals says of Mr. Rickard's report that it does not contain the data now deemed essential to the examination of a single mine, let alone a number of mining districts. Hence, the Rickard report on the province has little real bearing on the situation.

Old Haphazard Methods

How little is really known of the Nova Scotia ore deposits may be judged from the fact that two theories have been advanced as the basis for the location of the ore shoots, but neither of these theories has been proved or disproved because of lack of evidence. While the amount of gold which has been mined and milled in the province is shown elsewhere in this issue, yet there is no knowledge in existence touching the width of the veins from which this gold came or what percentage of the total development done could be regarded as pay ore.

All this, of course, is due to the haphazard methods which obtained in former days and it is significant, in any attempt to assess the future outlook of mineral development in the province, to remember that no attempt until recently has ever been made to block out systematically large ore reserves. Mining formerly in Nova Scotia was a hand to mouth business. As long as the vein could be followed, mining continued. When the vein gave out, mining ceased.

Evangeline Gold

Obtains Good Results at Millers Lake — Installs New Equipment

In 1927 the Evangeline Gold Mines were formed and acquired 114 areas in the Oldham district. The shaft on the property is down to a depth of 90 feet. Further equipment was installed capable of handling development work to a depth of 500 feet. But the company has ceased operations on this property due to the favorable results obtained on its holdings in the Millers Lake gold district. The company holds in this area 263 mining areas. The holdings are located comparatively near to the Novamac mines.

In the Millers Lake property, barns, engine house, blacksmith's shop and bunk house have been erected. The old shaft has been unwatered and the timbering repaired. Work both above and below ground is being pressed vigorously. The results being obtained here by Evangeline are regarded in Nova Scotia mining circles as being very promising.

The latest reports from the Miller's Lake property reveal that the company has tapped some 100 veins, all of which show indications of free nugget gold. The president, Clarence H. Harshman, has recently completed a thorough tour of all the company's holdings in this area, and he has expressed himself as very enthusiastic about the whole proposition.

The most important move in the company's history to-date, has been its mooted amalgamation with two properties in Quebec and Ontario. One of these was the Calumet, a copper mine in Quebec, and the other Locarno, a gold and copper property in Ontario. The latter amalgamation has been called off, but subject to ratification by the Calumet shareholders, this property will shortly be amalgamated with Evangeline.

The name of the new company will be the Evangeline Gold and Copper Mines Ltd.

The amalgamation has been approved by the Evangeline shareholders and by the directors of the Calumet, and needs only the formal approval of the latter company's shareholders, which is expected to be given within the next few days.

It is understood that at present at least there will be no change in the Evangeline capital structure.

The Calumet property consists of some 400 acres in Dasserat Township and some 200 acres in Clericy Township.

Undeveloped Minerals Throughout Nova Scotia

Canadian Pacific Has Summarized Mineral Resources on Territory Served by Subsidiary — Opportunities Await the Sound Employment of Capital

There are many opportunities for mineral development in the southern and western sections of the province of Nova Scotia. The resources of this section have been summarized by the Development Branch of the Department of Colonization and Development of the Canadian Pacific Railway which controls the Dominion Atlantic Railway serving these areas.

The summary, which in part follows, presents a complete picture of the mineral potentialities of these sections of the province.

There are many water power sites throughout the territory. These range from 1,000 to 7,000 horsepower and, for the most part, are undeveloped. They are potential sources of cheap electric power. The territory is well populated and has excellent highways.

The rock formations of the country include divisions of most of the geological periods, the most important exception being the coal measures. Over most of the territory the geological conditions are not generally favorable for the formation of deposits of metallic minerals, excepting iron. Iron is plentiful and has been extensively mined in the past, but it cannot be mined at a sufficiently low cost to compete with Newfoundland ores to-day.

Non-Metallics Abundant

While metallic minerals are scarce the non-metallics are abundant. Chief among these are gypsum, limestone, silica, slate, china-clay, brick-clay, garnets, diatomite, ochre, salt and peat. Of these only gypsum and brick-clay are exploited to any extent. The others are worthy of development and require only a market and capital to establish staple industries. Several deposits are situated near the shore, so that in some cases transportation would be by water rather than by rail.

Some of these non-metallic deposits are not under license and are open for "staking." Many of them are held by the farmers who own the land and to whom the development of the minerals is a secondary consideration. They have but a slight knowledge of the uses to which the material can be put and no knowledge or experience in mining. Thus there is a good field for vigorous mining activity in this territory.

The agricultural industry requires chiefly fertilizers and fungicides, which are usually imported. Organic fertilizers, made locally, replace mineral fertilizers to some extent. Local limestone and plaster rock are used to a greater extent on the soil. The poison ingredients for the fungicides and insecticides, chiefly arsenic, may be supplied eventually by other parts of Nova Scotia. Coal is supplied by the Nova Scotia coalfields.

Salt Is Very Useful

The fishing industry uses large amounts of crude salt, some being imported very cheaply and the rest supplied from Malagash, N. S. Salt from the deposits of the Windsor and Walton areas could, if the deposits were developed, replace these importations.

The pulp and paper industry requires some amount of limestone and sulphur. It is probable that suitable limestone could be found between Windsor and Truro. The china-clay at Middleton has possibilities as a paper filler.

Building stones, concrete, clay and plaster products for building operations are supplied locally. Lime is imported but could be made in the district. Cement, structural iron, other metal products and prepared roofing must be supplied from points outside.

To summarize for the territory, there follows a list of mineral deposits together with essential particulars of each. Included in this list are some deposits that have not been recently examined, particulars of which are taken from government reports. These are usually small, remote from the railway and not of particular interest at present.

Mineral Deposits

Antimony was mined for many years as auriferous stibnite at West Gore, Hants county. Operations ceased in 1917 and the mine is now flooded and crushed. It is probable that the vein was not bottomed, but to reopen the mine would entail large expenditures for shaft sinking and development work. There is a possibility of picking up lateral extensions of the ore body.

Arsenopyrite is associated with the gold deposits of the province. The arsenic content of the gold ores, averaging between 0.5 per cent. and 1 per cent. is not sufficient to justify mining for the arsenic alone, but it can be saved as a by-product in the concentration of the gold ore. Production from this source is thus dependent on gold mining in which interest is now being evidenced.

In the different gold districts in the Dominion Atlantic Railway territory there are about 110,000 tons of tailings in dumps. The richer and more easily handled portions of these sands offer opportunities for the recovery of the arsenic content by retreatment.

Some arsenopyrite is also found in slate formation independent of the gold areas. There is a small vein 2½ miles east of Ellershouse station and another deposit about 1 mile south of Mt. Uniacke gold district, both in Hants county.

Products of the Quarry

In general the district is well supplied with building stone of good quality. Granite of excellent quality is widespread. Some of this granite could be exported for paving blocks. The best known deposits are 3 miles south of Middleton, Kings County. This material is also used for monumental purposes and is exported to a limited extent. The diabase that forms the major portion of the North Mountain could supply a suitable "black granite" such as is in great demand as a monumental stone.

Limestone generally, is not suitable and is very seldom used as a building stone. Buff-colored marbles are found at Clarksville, South Maitland and Walton, Hants county. They take a good polish. There are no records of this material being used. Sandstone, as a freestone, was formerly quarried, but is too soft for lasting use and is not used extensively.

The Halifax slate division of the Cambrian rock formation occupies a large portion of the territory. In several localities the slate is very hard and fissile and has in the past been quarried for roofing slate and for pavement flags. The evidence of the many roofs shingled with local slate, and of the pavements in Halifax made of large slate slabs showing little deterioration after 40 years' service, bears out the fact that the material is eminently suitable for these purposes.

Massive Slate Beds

There are massive beds of this slate in an area of about 18 square miles south of Kentville and Wolfville. This area is only 1½ miles from the Dominion Atlantic Railway, 8 miles from tidewater and 2 miles from developed hydro-electric power. Several properties in the area are in process of development. Some of the slate is variegated and when polished is very decorative.

There is another area of excellent slate about 6 square miles in extent at Gore, Hants county, 6 miles south of the Dominion Atlantic Railway at Kennetcook. Operations are contemplated in this area.

At Beaverbank station, 15 miles from Halifax, a large bed of slate was worked 40 years ago for paving flags. This slate can be obtained in large slabs and should be excellent for partitions, electric switchboards, etc.

Some of the slightly bituminous slates of Gore and Hantsport are softer but tougher and can be easily sawn and worked.

Gravel suitable for use as road material, ballast and in concrete mixers, is found throughout the district. Gravel from the vicinities of Middleton and Kentville is used in the manufacture of hollow cement building blocks and artificial stone. There is a steady demand for these blocks.

Clays For Earthenware

There are many clays suitable for common brick, red earthenware, drain tile, etc., between Hantsport and Digby in the Annapolis Valley. Brick was formerly made at Annapolis Royal, Middleton, Avonport and Bridgetown. The Shaw Brickyards, the only operating brick plant in the district, have a modern five-kiln plant at Avonport. The capacity of the kilns is 85,000 brick each and the total maximum output is 30,000 brick and 7,000 interlocking tile per day. Other tile and earthenware products are made. A small amount of beach sand and shale is used in the mixture. The shale is obtained from an outcrop about 2 miles distant. At Sackville, Halifax County, a fine red clay is excavated and manufactured into earthenware products at Fairview, 1 mile from Halifax. The estuarine clays of the Annapolis Valley could be used for making red pressed brick, and some of the [illegible] clay could be employed for stoneware manufacture, cheap art pottery and terra-cotta tiles.

A 22-foot bed of kaolinized rock is exposed 2 miles north of Middleton, Annapolis County, and has been traced for a distance of 38 miles. The thickness of the bed where noted at places other than Middleton is usually 3 to 4 feet. The rock contains about 50 per cent. kaolinite. Washing tests so far made on the clay have not been successful in making a product running higher than 20 per cent. alumina. The product is pure white when ground and washed, burns to a buff color and fuses at about 2500° F.

Coal Areas Taken Up

Many areas have been taken up for coal. The principal occurrences are in areas containing Devonian rock, as at Hantsport, Falmouth, Three-mile Plains and East Gore. At Gore five drill holes have proved a seam of coal that in places is 5 feet in thickness. This coal is not of good grade. With this exception all the seams are 2 inches to 18 inches thick, the coal is of poor grade, and the outcrops cannot be traced far. Deep bore holes at Hantsport and at Avonport did not reveal any coal at depth.

These Devonian coals may not be expected to develop into producers of any importance. There are no true coal measures in the district.

Traces of copper are to be found in various localities on the North Mountain, but in no case have these finds proved to be of importance. Some shaft sinking at Dalhousie East, Kings county, and at Margaretsville, Annapolis county, gave unsatisfactory results.

Infusiorial Earth and Diatomite

Large deposits of the material, known as infusorial earth and tripoli, are found in this territory. The material is generally of good quality but requires calcining to bring it to a high grade product. The deposits

(Continued on page 28)

Coxheath Copper

Financing Arranged and Plans Made to Open Mine

Ottawa interests control the operations of the Coxheath Copper Mine, which is located near Sydney, Cape Breton. The mine has an interesting history. In former days it was brought to a stage where plans for a 600 ton mill and smelter had been completed. Just before the mine was closed down in the 90's, a financial crash carried metal prices down to a point where it was impossible to finance the venture.

The Armada Syndicate, of Ottawa, became interested in the property in recent months and agreed, providing certain obligations were fulfilled, to re-open the workings and to place it under modern development. This was arranged and the government cancelled all previous titles and issued new leases.

In the early days of the enterprise the property was examined by several outstanding engineers who all reported favorably on its prospects. Metallurgical tests were made on its ores in Germany, England and the United States and the reports show that the ore was such that even the lowest grade 3½ per cent. copper could be treated profitably.

Five Parallel Veins

Five parallel veins, ranging from 100 to 150 feet apart, have been definitely proven to contain commercial ore. These veins tend to converge towards the eastern surface expiration will tend to prove this supposition. Ore has been found along this main system over a length of 4,500 feet. Three shafts have been sunk on the property, all of which have disclosed commercial ore. Most work has been done on No. 2 shaft which is approximately 330 feet deep and which, according to provincial government engineers, has disclosed some 50,000 tons of copper ore blocked out. The ore on the dump averages about 7 per cent. copper.

The main ore body is apparently between 200 and 300 feet long and at the 350 foot level the vein is 35 feet wide, of which 17 feet could be classed as shipping ore with every indication that the full width of 35 feet would grade sufficiently high for mill feed—about 4 per cent. copper with gold and silver values.

At the present time the Armada Syndicate is arranging for preliminary financing. Advances have been made by other interests to secure a financial stake in this enterprise, but so far nothing definite has been done.

Open Up Mine

It is now proposed to open up the mine immediately and to put it on a profitable shipping basis within a few months. Camps are being erected and tenders have been called for dumping out the old work and retimbering the shafts and a diamond drill is going into operation.

According to the old records there are 5,000 tons of high grade copper ore in which at present are filled with water. There is also many times larger tonnage available for immediate development as the ore body of the mine runs as high as 100 to 150 thousand tons.

Maritime Gold Mines

The Maritime Gold Mines with head offices at Cornwall, Ontario, owns a promising property at Moose River, Halifax county, N.S. The Company some time ago erected dams on the river adjoining one of its mills to provide power to operate a 15 stamp mill, compressors and other mining equipment.

In the areas controlled by the company there are some rich showings, but development work is not being carried on. The company requires large financing to carry on developments on an economical and satisfactory scale.

P. LYALL & SONS
CONSTRUCTION COMPANY, LIMITED
Sixteenth Annual Report for the Year Ending March 31st, 1928

ASSETS

PLANT—Montreal, Ottawa, Toronto, Thorold		$671,396.53	
Government Plant—			
Welland Canal	$1,765,242.51		
Less Amortized	1,765,242.51		
BUILDINGS—Montreal		148,252.76	
REAL ESTATE		767,745.84	
			$4,537,394.18
Patent Rights, Goodwill, etc.			[illegible]
Securities			[illegible]
Stocks on Hand			[illegible]
Work in progress			[illegible]
Deposits on Contracts			[illegible]
Accounts Receivable			[illegible]
Miscellaneous Assets			[illegible]
			[illegible]

LIABILITIES

CAPITAL STOCK—			
Seven Per Cent. Cumulative Preferred:			
Authorized 15,000 Shares of $100.00 each		$1,300,000.00	
Issued			$1,300,000.00
COMMON—			
Authorized 17,500 Shares of $100.00 each		1,750,000.00	
Issued			1,750,000.00
SIX PER CENT., FIRST MORTGAGE, TWENTY-YEAR GOLD BONDS—			
Authorized and Issued		1,250,000.00	
Less Bonds retired		871,300.00	
			378,700.00
Open Accounts Payable		233,430.04	
Sub-contractors Balances		26,929.40	
Bills Payable		1,458.00	
			261,844.94
Accrued Wages		2,863.60	
Accrued Interest on Bonds to end of Fiscal Year		3,767.00	
Accrued Dividends on Preferred Stock to end of Fiscal Year		15,166.66	
			21,817.26
Bank Loans—Less Cash on Hand			765,968.33
ADD—			
Earnings as per Profit and Loss Statement		318,292.16	
LESS—			
Bond Interest	$24,416.00		
Preferred Dividends	91,000.00		
Bond Redemption	84,700.00		
Bad Debts Written Off	84,907.34		
		285,023.34	
		$ 33,268.82	
ADD—			
Amount at Credit of Profit and Loss, March 31st, 1927		512,651.94	
			546,920.76
			$5,025,250.69

Audited and found in accordance with the books and vouchers of the Company. The stocks in trade have been inventoried and certified by the proper officers. We have examined the Stocks and Securities. All our requirements as Auditors have been complied with.

Approved: WILLIAM LYALL, H. W. BEAUCLERK, Directors.

WRIGHT & KINGAN, per Gordon B. Kingan, C.A., Auditors.

PROFIT AND LOSS ACCOUNT
As at March 31, 1928

EARNINGS—		
After deducting Rent, Insurance, Taxes, General Expense, etc.		$ 318,292.16
APPROPRIATED AS FOLLOWS—		
Bond Interest to end of Fiscal Year	$24,416.00	
Preferred Dividend to end of Fiscal Year	91,000.00	
Appropriation for Bond Redemption	84,700.00	
Bad Debts written off during year	84,907.34	
		285,023.34
		$ 33,268.82
Amount at Credit of Profit and Loss—March 31, 1927		512,651.94
Surplus		$ 546,920.76

Audited and Verified: WRIGHT & KINGAN, per Gordon B. Kingan, C.A., Auditors.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Montreal, May 15th, 1928.

Gentlemen:

Your Directors herewith submit the 16th Annual Statement of your Company for the year ending March 31, 1928.

After deducting all the fixed charges the gross earnings were $318,292.16, from which the following amounts have been appropriated: Bond Interest, $24,416.00; Preferred Dividends, $91,000.00; Bond Redemption, $84,700.00, and Bad Debts written off, $84,907.34; leaving a balance of $33,268.82 to be carried forward to Profit and Loss. The total surplus now amounts to $546,920.76.

Your Company's several contracts are progressing favourably without undue difficulties.

Our claims against the Government, while prolonged, should, in our opinion, be settled within a short period.

The Steel Gates contract has advanced, without any difficulties, to such a point that completion is assured in 1929, in accordance with the terms of the contract.

Your Directors are pleased to announce that after several months negotiations our tender on a cost plus basis has been accepted, for a large amount of railroad work in the Republic of Colombia, South America, with prospects of securing further work of a like nature. No financing is required for this work other than a Guarantee Bond for the completion of the contract.

As ratified by the Shareholders, the refinancing of the Company will shortly go into effect, thereby retiring all outstanding bonds and leaving your Company in a stronger financial position.

Your Directors recommend that 3,000 shares of the new Treasury Stock of your Company be allotted for purchase by the Staff at the price of $40.00 per share, without the right to sell for a period of two years.

Your Directors wish to express their appreciation of the loyal services and efficient work of the staff and employees of the Company.

Submitted on behalf of the Directors.

WILLIAM LYALL, President.

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Public Utility Earnings

Jamaica Public Service Co.

	Apr., 1928	Apr., 1927
Gross earnings	$58,015	$56,896
Net earnings	23,278	19,854
Surp. after charges	17,940	13,697
12 months ending:	Apr., 1928	Apr., 1927
Gross earnings	$701,034	$670,084
Net earnings	291,455	271,191
Surp. after charges	221,338	197,025

Barcelona Traction

	*1928 Pesetas	1927 Pesetas	Increase Pesetas
Gross earnings	7,302,684	7,058,939	243,745
Oper. expenses	2,245,879	2,049,891	195,988
Net earnings	5,056,805	5,009,048	47,757
Aggre. Gross from Jan. 1.	32,110,853	30,513,816	1,597,037
Aggre. Net from Jan. 1.	23,202,380	21,983,758	1,218,622

* These figures include the earnings of the newly acquired Gas Company de Mataro.

Jamaica Public Service

April	1928	1927
Gross earnings	$ 58,015	$ 56,896
Net earnings	23,278	19,854
Surp. after chgs.	17,940	13,697
12 mos. end. April 30	1928	1927
Gross earnings	$701,054	$670,084
Net earnings	291,455	271,191
Surp. after chgs.	221,338	197,025

Stock Market Record

WEEK ENDING MAY 29

	Div. Rate	Yield May 28	High for wk.	Low for wk.	Close May 29	Close May 21	Sales for wk.	Range 1928 High	Range 1928 Low
Banks—									
Commerce	12+1	4.40	297	290	295	296	293	335	277
Dominion	12+1	4.78	271½	271½	271½	275	15	280	261
Can. Nationale	10	5.00	200	200	200	200	36	220	185
Imperial	12+1	5.07	258	255½	258	260	59	265	245
Montreal	12+2	3.80	375	365	366	375	122	420	334
Nova Scotia	16	4.02	398	395	395	395	26	410	375
Royal	12+2	3.50	402	394	395	400	429	440	330
Standard	12	4.68	258	253½	258	253½	608	258	236
Toronto	12+1	4.19	315	309¾	315	310¼	111	340	280
Paper—									
Abitibi, com. (n.p.)	4	5.49	76	67¾	70¼	75¼	21333	89¾	69
Do. pref.	7	5.64	124	124	124	126	19	130	124
Do. pref.	6	5.88	102	101	101	102	3112	102½	96¾
Belgo Can., pref.	7	6.42	109	109	109	110	150	110	106
Brompton (no par)	$2	3.63	56	50½	52	58	5347	71	50½
Do. Rights	.	...	3.00	.60	1.00	3.00	7195	4.00	.60
Can. Pr. & Paper	.	...	45	39¾	40	45⅞	44585	55	35
Fraser, com.	$1	1.42	70½	65¼	66½	70	5084	93	52
Int. Pap., c. (n.p.)	$2.40	3.11	79½	75	78½	77¼	55800	84⅞	67⅛
Do. pref.	7	6.54	107¼	107	107	107½	20	108	105
Pt. Alf., P., c. (n.p.)	.	...	124	94	100	125	9120	150	94
Do. pref.	7	6.57	106½	106½	106½	106½	50	108	102
Price Bros., com.	2	1.90	108	94⅝	100	110	4790	120⅝	78
Do. pref.	6½	6.16	105½	105½	105½	107	50	108	103
Smith, Howard, com.	.	...	157	151	153	157	575	165	71
Do. pref	8	6.75	..	...	...	...	...	119	115
Span. River, com.	7	...	..	...	...	...	...	163½	135
Do. pref.	7	...	..	...	...	...	...	152	130
St. Maur. V., pref.	7	6.73	104	102	102	104	157	105½	102
Wayagamack (n.p.)	$3	2.85	108	100	102½	108	2930	127¼	94½
Steel and Steel Industries—									
B.E. Steel, com.	.	...	8½	4¼	7½	4½	11795	8½	1
Do. 1st pref.	.	...	48	43	47	43	1616	48⅛	22
Do. 2nd pref.	.	...	11	7⅝	9½	7¾	12456	11¼	3½
Can. Car & Found., c.	.	...	55	51	51	55	1375	61	44
Do. pref.	7	7.29	97	95½	95½	96½	362	97½	90
Can. Fairbanks, pref.	6+3†	5.82	..	...	...	...	...	103	101
Can. Forgings, com.	.	...	..	...	...	...	...	32	15
Do. pref.	5†	...	..	...	...	...	...	97	65
C.G.E., c. (par $50)	.	...	115	112	114	106½	13	115	70½
Do. pref. (par $50)	7	5.93	61	58½	58½	60¾	195	62½	58⅛
Canada Iron, com.	.	...	..	...	...	...	...	26	25
Do. pref.	4	...	..	...	...	...	...	80	60½
Can. Locomotive, com.	.	...	..	...	...	...	...	40	35
Do. pref.	7	8.75	91	82	86	91⅛	18339	87	75
Dominion Bridge	$2.60	2.88	98	97	98	97	131	97	61½
Dominion Coal	.	...	..	...	...	...	...	98	75
Dominion Iron, pref.	.	...	59	59	59	60	...	12	5
Dom. Steel Corp., pref.	.	...	30½	30	30½	33	5	76¼	44½
East Steel Prod. (n.p.)	.	...	..	...	...	...	20	34	23
Do. pref.	7	7.36							
Gotfredson, c. (n.p.)									
Gould Pumps, pref.	7								

Hayes Wheel, c.; Do. pref.; Massey-Har., c.; Do. pref.; Kelvinator, c.; Do. pref.; McKin. Ind., c.; Do. pref.; Do. Vot. Trust; N.S. Steel, pref.; Ont. Steel, c.; Do. pref.; Page Hersey, c.; Do. pref.; Pressed Metals, c.; Do. pref.; Russell Motor, c.; Do. pref.; Steel of Canada, c.; Do. pref.

Milling, Foodstuffs and Merchandising— Alta. Pa. Gr., c.; Do. pref.; Arnolds, c. (n.p.); Do. pref.; Atlan. Sugar, c.; Do. pref.; B.C. Fish., c. (n.p.); Do. pref.; Do. certificates; Can. Bak., c. (n.p.); Do. pref.; Can. Bread, c. (n.p.); Do. pref. (A); Do. pref. (B); Can. Canners, c.; Do. 1st pref.; Do. 2nd pref.; Canadian Salt; Christie Br., c. (n.p.); Cuban Can. Sugar, c.; Do. pref.; City Dairy, c. (n.p.); Do. pref.; Dom. Stores (n.p.); Fanny Farmer; Ham. Dairies, c. (n.p.); Do. pref.; Hunts, Ltd., c. (n.p.); Do. pref.; Inter. Milling, pref.; L. of Woods, c. (n.p.); Do. pref.; Do. Rights; L. Secord, c. (n.p.); Do. pref.; Loblaw, c. (n.p.); Do. pref.; Maple Leaf Mill., c.; Do. pref.; Muirheads, c. (n.p.); Do. pref. (p. $10); Nat. Grocers, pref.; Ogilvie Fl., c. (n.p.); Do. pref.; Pure Gold Mfg. (n.p.); Shred. W., c. (n.p.); Stanfords, c. (n.p.); Do. pref.; St. Law Flour, c.; Do. pref.; Viau Bisc., c. (n.p.); Do. pref.; W. Can. Fl., c. (n.p.); Do. pref.; W. Groc., c. (n.p.); Do. pref.; Weston, com.; Do. pref.

Utilities— Bell Telephone; Calgary Power; Consumers Gas; East Koot. Pr. (n.p.); Do. pref.; Int. Util. (A) (n.p.); Do. (B) (n.p.); Jamaica Pub. Ser., pf.; Laurentide Power; Mackay, com.; Do. pref.; Mexican Light, c.; Do. pref.; Mont L H & P (n.p.); Mont. Teleg. (p. $40); Nor. Mex. Pr., c.; Do. pref.; Ot. & Hull P., c. (n.p.); Do. pref.; Ott. L. H. & Pr., c.; Do. pref.; Power Corp., c. (n.p.); Do. pref.; Do. Rights; Quebec Power, c.; Do. Rights; Shawinigan (n.p.); S. Can. Pr., c. (n.p.); Do. pref.; West Koot. Pr., pref.

Transportation— Can. Pacific Rly. (10); Can. Steam., c. (n.p.); Do. pref. (6); Do. Voting.

Tractions— Barcelona (par $50) (1); Brazilian, com. (7); Do. (new); Do. pref. (6); Detroit Un. Rly.; Duluth-Superior ($1); Montreal Trams. (10); Ottawa Traction; Porto Rico Rlys., c. ($3); Do. pref. (7); Twin City, c. (4); Do. pref. (7); Winnipeg Elec., c. (2); Do. pref. (7).

Textiles— Can. Conn. Cot., pref. (4); Can. Converters (7); Can. Cotton, com. (8); Do. pref. (6); Can. Woollens, com.; Do. pref.; Cosmos Imp., c. (n.p.); Do. pref. (7, 7.1...); Dom. Tex., c. (n.p.) (5, 4.1...); Do. pref. (7, 5.4...); Monarch Knit, c.; Do. pref.; Montreal Cottons, c. (6, 4.80); Do. pref. (7, 5.78); Penmans, c. (n.p.) (4, 3.60); Do. pref. (6, 5.68); Wabasso Cot. (n.p.) (6, 5.00); Zimmerknit (n.p.); Do. pref. (7, 7.52); Do. Rights.

General Industries— Am. Sales, c. (p. $20) (4, 5.00); Do. pref. (7, 6.36); Asbestos Co., c. (n.p.); Do. pref. (7, 7.44); Brant. Cd., c. (p. $25) (8, 12.12); Building Prod., com. ($1.20, 3.00); Do. pref. (7, 6.66); Burt, F. N., c. (p. $25) ($3, 4.05); Canada Cement, c.; Do. pref. (6½, 6.48); Can. Bronze, c. (n.p.) ($4, 4.34); Do. pref. (7, 6.36); Can. Dredge, c. (n.p.); Do. pref. (7, 5.87); Conduits, c. (n.p.); Do. pref. (7, 6.93); C. Smelt. (p. $25) (10+40, 4.68); Crow's Nest Coal (6, 9.83); Dom. Glass, c. (7, 5.20); Do. pref. (7, 5.78); Dom. Rubber, pref. (7, 7.07); E. Theat., c. (p. $25) ($2, 7.14).

Do. pref.; Famous Players, c.; Do. pref.; Gilman, c.; Do. pref.; Goodyear Tire, com.; Do. pref.; Gypsum & Alabas., c.; Ham. Un. Theatre, c.; Do. pref.; Holt, Renfrew, c.; Do. pref.; Int. Nic., c.; King Edward Hotel; Lyall Construc. (new); Do. Rights; Loew's, com.; Do. pref.; National Brick, com.; Do. pref.; Pacific Burt, com.; Do. pref.; Photo Engrav. (n.p.); Port Hope San., com.; Do. pref.; Rogers, W.; Do. pref.; Sher-Williams, com.; Do. pref.; Standard Chem., com.; Sterling Coal; Tooke Bros., com.; Do. pref.; Tuckett Tobacco, c.; Do. pref.; Woods Mfg., com.; Do. pref.

Beverages— Brading Brew. (n.p.); Brew. & Dist.; Can. Brew. (n.p.); Canada Dry (n.p.); C. Ind. Alc. (n.p.); Do. (B); Can. Malting (n.p.); Do. Rights; Can. Wineries; Carling Brew.; Com. Alc. (n.p.); Cosgrave B. (p. $10); Distil.-Seagrams; Federal Dist.; Chas. Gurd, c. (n.p.); Do. pref.; Hiram Walker (n.p.); L. Ont. Brew. (n.p.); Nat. Brew., c. (n.p.); Do. pref.; Nat. Distilleries; Orange Cr., c. (n.p.); Do. pref. (A); Do. pref. (B); Pelissiers (n.p.); Do. pref.; Toronto Brew. (n.p.).

Oil— Beacon Oil; Brit. Am. Oil (n.p.); Brit. Con. Oil; Can. Oil (n.p.); Do. pref.; Continental Oil; Foothills Oil; Frontenac Oil; Home Oil; Imperial Oil (n.p.); Int. Pet. (n.p.); McColl, c. (n.p.); Do. pref.; North Star, c. (p. $5); Do. pref. (p. $5); Petrol Oil; Super. Pet., c. (new); Do. Voting Trust; Trojan Oil; Volcanic Oil; Vacuum Gas.

Trust and Loan— Central Canada; Canada Life; Can. Permanent; Col. Invest. (p. $50); Econ. Invest. (p. $50); Huron & Erie; Do. 20 p.c. paid; Landed Banking; Nat. Loan (p. $25); National Trust; Ont. Loan (par $50); Toronto Gen. Trusts; Real Estate Loan; Toronto Mortgage (p. $50); Union Trust.

CURB AND UNLISTED MARKETS

Asch, com. (no par); Do. pref.; Attendo Eng. (p. $1); Belding, com.; Do. pref.; Can. Celanese (n.p.); Do. pref.; Can. Vickers (n.p.); Do. pref.; Can. Light & Power; Can. Marconi; Can. Power; Do. pref.; Cockshutt, com.; Do. pref.; Cooksville Sh. Brick, c.; Do. pref.; Cons. Food Products; Dom. Engineering; Dom. Fdy. & Steel, c.; Do. pref.; Donnacona Paper; Do. pref.; Dryden Paper (n.p.); Durant Motor (n.p. $10); E. Dairies, c. (n.p.); Do. pref.; Eng. Elec., c. (n.p.); Do. pref.; Farm. Dairy, c.; Do. pref.; Fr. Pr. Secs. (n.p.); Gen. St. Wa., c. (n.p.); Gt. West Sad. c. (n.p.); Do. pref.; Hamilton Cot., pref.; Hamilton Bridge; Hinde & Dauch; Hydro-Electric (n.p.); Illinois Power; Imp. Tob., c. (p. $5); Inter. Power, com.; Do. pref.; Kemsley Millburn; Loew's Marcus; Do. Rights; Mitchell, Robt. (n.p.); Do. pref.; Mercury Mills (n.p.); Municipal Ser.; North Bak. (no par); N.S. Car, c. (n.p.); Ott. Riv. Pr. (n.p.); Paton Mfg., c. (n.p.); Perfection Glass; E. L. Ruddy, pref.

	Div. Rate	Yield	High	Low	Close	Close	Sales	Range 1928 High	Range 1928 Low
Regent Knitting	7	7.07	3¼	3⅛	3¼	3½	790	103	102
Reliance Grain (n.p.)	.	...	28½	25	25	27	620	8¾	2
R.S. Mills (n.p.)	$2	...	49	46	46	49	155	101	97½
Robinson Cone (n.p.)	.	...	35¾	34	34	36½	485	33	25
Service Stn. Equip.	$1.60	4.00	28	27	27	27	300	55	46
Simpson, Robt., pref.	6	5.74	40	38	40	39	1318	39	34
Simon & S., c. (n.p.)	.	...	..	...	...	...	...	34½	27
Do. pref.	7	6.93	38	36	36	87½	870	48	35½
Standard Clay	.	...	101½	101	101	101½	135	105	102½
Standard Pav. (n.p.)	.	...	..	...	...	...	...	45	36
St. Law. Pa., c. (n.p.)	.	...	27¼	25	25½	27	1724	101¾	100
Do. pref.	8	...	..	...	...	...	...	34½	33
St. Maur. Power	4	...	..	...	...	...	...	29¼	25
Tamblyn, c. (n.p.)	.	...	..	...	...	...	...	112	100
Do. pref.	7	...	33	30½	30½	...	...	125½	116
Tip Top Tailors (n.p.)	.	7.29	96	95½	95½	34¼	607	194	170
Do. pref.	7	...	31¾	31	31	96½	67	36¼	21
Sprucolite (n.p.)	.	7.00	100	100	100	31½	1170	97	90
United Fuel, c. (n.p.)	.	...	53	48	49	100	110	32¼	31
Do. pref.	.	...	36	59	59	56	175	100	99½
Waterloo Mfg.	6	5.74	104½	104	104¼	61	10	59	41
United Fuel, c. (n.p.)	.	...	18½	18	18	104⅛	52	64½	50
Do. pref.	6	6.45	36	34	34	18½	425	105	100
			93	92½	92½	35	415	20	18
						92½	1282	36	25
								93	92

†Arrears.
xQuotations for 1927. No sales recorded in 1928 to date.

Bond Movements of the Week

Week Ending May 29

Bonds	Int. Rate	Due	Yield	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low	Ask	Latest Price Bid	High	Low
Asbestos, gen. mge.	6	1956	6.15	98	88	100	97½	99	97½	98	97½
Do.	5	1942	4.42	103	97	106	106	106	..	106	..
Can. Canners	6	1950	5.81	102	96½	103	101½	102	101¾	102¼	101¾
Can. Pr. & Pap. deb.	5	1956	5.08	..	..	99½	96	..	..	98¾	..
Montreal Tram. 1st mtge.	5	1941	4.86	101	96⅜	103¼	100	101¼	100	101¼	100
Do. gen. mtge. A	5	1955	4.90	100	94	101¼	99⅝	100	99	101¼	95
N.S. Steel	5	1959	6.78	70	64½	77	75⅝	78	75½	77	..
Wayagamack	6	1951	5.61	104	97	105	103	105	104¼	105	..
War Loan	5	1931	4.30	102.70	101.00	102.85	101.80	102.20	101.85	102.00	101.80
Do.	5	1937	4.20	106.95	102.95	106.70	104.65	106.00	105.20	105.90	105.55
Victory Loan	5½	1933	4.37	106.90	103.05	106.50	104.05	104.60	104.50	105.00	104.40
Do.	5½	1934	4.72	105.75	102.80	105.85	103.70	103.95	103.20	104.00	103.70
Do.	5½	1937	4.15	111.15	106.85	110.95	109.60	110.10	109.75	110.00	109.60
Do., Refund	5	1928	5.00	101.50	99.75	100.60	99.90	100.30	100.05	100.10	99.90
Do.	4½	1940	4.28	103.40	96.50	102.90	101.00	101.75	101.25	101.30	101.00
Do.	5	1943	4.47	106.40	102.30	106.10	104.85	105.00	104.95	105.35	104.85
Do.	4½	1944	4.28	103.00	96.60	103.05	101.45	102.15	101.70	102.15	101.45
Do.	4½	1946	4.27	102.70	96.70	103.15	102.05	102.70	102.10	102.70	102.50
Do., Renewal	5½	1932	4.55	104.40	101.85	105.80	102.60	103.15	102.60	102.70	102.60

E. A. DUNN & CO.
Investment Securities
Orders Executed on all Exchanges
Dominion Bank Bldg., Toronto
ELgin 7510

W. F. Mahon & Co.
Investment Bankers since 1907
177 Hollis Street, Halifax

Unlisted Stocks

These prices are mostly as at May 28, and while obtained from reliable sources, cannot be guaranteed.

Industrial Stocks

	Bid	Asked
A. W. Chase, com.	$ 2.00	$ 5.00
A. W. Chase, pref.	56.00	....
Border Cities, pfd. bonus c.	....	24.00
Brandram Henderson, com.	25.00	28.00
Brandram Henderson, pref.	86.00	90.00
Brantford Roofing	95.00	....
Canadian Westinghouse	241.00	....
Canada Machinery, com.	5.50	9.00
Canada Machinery, pref.	28.00	33.00
Can. Paperboard, pref.	....	95.00
Caulfields Dairy, com.	22.00	28.00
Copeland Flour Mills, pref.	20.50	22.00
Dom. Alloy, pf. bonus com.	....	2.50
Dom. Foundries & Steel, c.	18.00	22.00
Dom. Foundries & Steel, pf.	63.00	68.00
Dom. Linens, pref.	15.00	....
Dom. Manufacturers, com.	6.00	....
Dom. Manufacturers, pref.	70.00	....
Dom. Power, com.	45.00	55.00
Dom. Power, pref.	105.00	107.00
Dom. Sewer Pipe, com.	63.00	65.00
Dom. Sugar, com.	30.00	....
Dom. Sugar, pref.	97.00	....
Dunlop Tire, pref.	102.50	104.00
Durant of Canada	8.00	9.00
Gillett, E. W.	80.00	....
Goodyear Cotton, 7% pref.	101.50	103.50
Gosse Packing, com.	25.00	40.00
Gosse Packing, pref.	77.00	84.00
Greening Wire, pref.	103.00	105.00
Guardian Realty, pref.	60.00	67.50
Huethers Brewing, pref.	....	4.00
King Edward Hotel "A"	92.00	95.00
King Edward Hotel "B"	85.00	88.00
Kingston Shipbuilding, pf.	18.00	20.00
Loew's London, com.	4.60	5.50
Loew's London, pref.	8.25	8.50
Loew's Mansfield, pref.	93.00	....
Milton Brick Co.	17.00	....
Palace Thea. (Mont.) pfd.	95.00	....
Simpson, Robt., pref.	104.00	106.00
Traymore, pref.	19.00	22.00

Insurance

	Bid	Asked
British America	55	..
Canadian Fire, full pd.	125	135
Canada Life	975	1000
Canada National	20	..
Casualty of Canada, full pd.	190	200
Capital Life, 20% pd.	26	..
Commercial Life, 10% pd.	20	..
Commonwealth Life, 10% pd.	32	37
Confederation Life, 10% pd.	120	..
Continental Life, 10% pd.	85	..
Crown Life, full paid	335	..
Dom. of Can. Guar. & Ac.	..	400
Dominion Fire	130	...
Dominion Life, 50% pd.	440	..
Excelsior Life, 30% pd.	120	..
Federal Fire, 25% paid	42	..
Fidelity of Canada, full paid	145	..
Great West, full paid	535	..
Imperial Life, 90% paid	435	..
Manufacturers Life, 55% pd.	400	450
Monarch Life, 10% paid	47	51
Montreal Life, 20% paid	77	85
National Life, 25% paid	95	..
Ontario Equitable, 10% paid	38	42
Security Life, 50% paid	25	...
Sovereign Life, 25% paid	56	62
Sun Life, 75% paid	2350	2450
Toronto Casualty	..	26
Western Assurance	77	82

Mortgage, Loan, Etc.

	Bid	Asked
British Mortgage & Trust	$207.00	$ ....
Capital Trust	73.50	85.00
Chartered Trust	105.00	110.00
Commercial Finance, com.	23.00	....
Commercial Finance, pfd.	78.00	84.00
Crown Trust	135.00	....
Debentures & Sec., com.	74.00	....
Debentures & Secs. pref.	74.00	....
Guelph & Ont. Invest.	59.00	....
Lambton Loan & Savings	80.00	....
London Loan & Savings	47.00	50.00
London & West Trusts	150.00	....
Mfg. Fn. pfd. bonus c.	7.25	8.00
Midland Loan & Savings	17.00	....
Mortgage Discount, pref.	6.75	8.00
Mortgage Discount, com.	.40	.80
Mutual Finance, com.	8.25	....
Mutual Finance pref.	8.25	10.00
Saskatchewan Mortgage	41.00	....
Peoples Loan & Savings	84.00	85.00
Sterling Trust Co.	102.00	105.00
Toronto Finance, pref.	....	3.50
Waterloo Trust & Savings	120.00	....

Club Shares

	Bid	Asked
Bayview Golf	$ 25.00	$ 40.00
Lakeview Golf	50.00	70.00
Lambton Golf	390.00	425.00
Mississauga Golf	25.00	30.00
Rosedale Golf	200.00	....
Summit Golf	30.00	50.00
Thistledown Golf	45.00	65.00
Thornhill Golf	67.50	80.00
Toronto Winter Club	....	60.00
Weston Golf	80.00	100.00
York Downs Golf	275.00	325.00

Recent London Quotations

	Sales
Calgary Power	113
Hudson's Bay	120s.
Hudson's Bay 5% pref.	100s.
Can. West Lumber	6s. 6d.
Standard Chemical, 7%	24½
Dominion Tar	45s.
Mond Nickel	183s. 9d.
Lake Superior	8

Recent Vancouver Quotations

	Bid	Asked
B. C. Telephone, pfd., lew 6%	....	105½
Pacific Coyle, com.	10½	13
Gosse Packing, pref.	....	80

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	..
Can. Fire Ins. Co.	108½	..
Home Inv. and S. Assn.	77	..
N. Mtge., fully paid	80	..
N. Mtge. 50% paid	25	25
Northern Trusts Co.	50	..
Standard Trusts Co.	33	..
No. Star Oil, com.	4.90	..
No. Star Oil, pref.	5.50	5.60

Unlisted Bonds

	Bid	Asked
Abitibi Fibre, 6s, 1947	100½	101
Abitibi P. & P. 6s, 1940	105	105¾
Algoma Steel, 5s, 1962	59	61
Alberta Pac. Grain, 6s, 1946	100¾	102
Bell Telephone, 5s, 1955	104¼	105¼
Belgo Can. Paper, 6s, 1943	102¾	103¾
Brandram Henderson, 6s, 1939	91	95
B. C. Pulp and Paper, 6s, 1950	92¼	93½
Calgary Brewery, 5s, 1942	97½	99
Calgary Power, 5s, 1940	95¼	96
Canada Biscuit, 6½s, 1946	...	98½
Canada Lt. & Pr. 5s, 1949	95	96
Can. Nor. Power, 6s, 1941	104	105½
Can. Paperboard, 7s, 1937	98⅛	100
Can. Steamships, 5s, 1943	102	103
Can. Steamships, 6s, 1941	101¾	102½
Davies, Wm., 6s, 1942	97¼	98½
Dominion Iron, 5s, 1939	75	77
Drummond Invest., 6½s, 1938	100⅛	...
Duke-Price, 6s, 1966	106	106½
East Kootenay Pr., 7s, 1942	104⅛	105⅛
Elec. Development, 5s, 1933	100½	101¼
Fraser Cos., 6s, 1950	103¾	105¼
Gatineau Power, 5s, 1956	99½	100¼
Gatineau Power, 6s, 1941	102½	103½
Howard Smith P. & P. 6s, 1941	104¾	105¼
King Edward Hotel, 7s, 1944	97¾	98½
Lake Superior P. & P. 6s, 1941	106¾	108
Laurentian Pr., 6s, 1936	109½	...
Laurentide Pr., 5½s, 1946	101	102½
Manitoba Pr., 5½s, 1951	102½	103¾
Mont. L. H. & Pr., 5s, 1951	102½	103
Mont. Pub. Service, 5s, 1942	100¾	101½
Nor. Ont. L & P., 6s, 1946	104¼	105½
Nor. West Utilities, 7s, 1938	102	105
Nova Scotia Steel, 5s, 1959	76	77½
Nova Scotia 6% Debs.	43½	47
Nova Scotia Tram., 5s, 1946	104	105
Nova Scotia Tram., 7s, 1952	108	110
Ont. Pulp & Paper, 6s, 1948	108	110
Ottawa Hull Pr., 6s, 1948	104	105
Ottawa L. H. & P., 5s, 1957	100½	101½
Ottawa Mont. Pr., 6½s, 1949	104¾	105¼
Ottawa Trac., 5½s, 1955	102¾	104
Ottawa River Pr., 6½s, 1953	104½	105¼
Port Alfred P. & P., 5½s, 1957	98½	99½
Price Bros., 6s, 1943	105¾	107
Prov. Lt. Pr., 5s, 1946	101¼	102½
Rio Tramways, 5s, 1935	97	98½
Sao Paulo Tram., 5s, 1929	99⅜	99¾
St. Lawrence Paper, 6s, 1946	102½	103½
St. Maurice Valley, 5½s, 1957	99	100½
St. Maurice Pr., 6½s, 1953	106½	108
Shawinigan W.&P., 4½s, 1967	97¼	98
Simpsons, Ltd., 6½s, 1945	104¼	104¾
Southern Can. Pr., 5s, 1955	101¼	102
Spanish River P. & P., 8s, 1941	105	107
West Kootenay Pr., 6s, 1940	104¼	105

NEW YORK CURB

	Close May 16	Close May 22	Close May 29
Can. Marconi	7	6 3-8	7
Dom. Stores	136 1-2	134 3-4	138
Ford Canada	635	636	620
Imp. Oil Can.	71	68	66
Inter. Pete.	42 3-4	42	41 1-4
Int. Util. "A"	48 1-2	47 1-8	48 1-2
Do., B	13 7-8	16	17 7-8
Nipissing	4 1-4	4 5-8	4 1-4
Noranda	22 7-8	24 7-8	26 3-4
Premier Gold	....	2 3-8	2 1-4

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of May 30	$104.0	$ 98.0
Week of May 22	106.3	102.1
Month of May, 1927	75.9	70.9
9 Bank Stocks		
Week of May 30	$307	$303
Week of May 22	312	305
Month of May, 1927	244	238
10 Public Utilities		
Week of May 30	$110	$104
Week of May 22	112	107
Month of May, 1927	90	85

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	2	5	2	9
Paper	1	15	1	17
Steel	8	15	19	42
Foodstuffs	8	19	30	57
Utilities	3	16	15	34
Tractions	..	6	8	14
Textiles	3	12	4	19
Industrials	17	58	35	110
Total	42	146	114	302

Dividends Declared

	Rate	Date	Record
Pressed Metals, c.	75c+25c	July 16	June 25
Do., pref	1¾%	Oct. 1	Sept. 11
Do., pref,	1¾%	July 2	June 11
Do., pref.	1¾%	Jan. 1, '29	Dec. 12
Belding Cort. pref.	1¾%	June 15	May 31
C. P. Rly., com.	2½%	June 30	June 1
Durant Motors,	10c.	June 30	June 15
Do.,	10c.	Sept. 30	Sept. 15
Do.,	10c.	Dec. 31	Nov. 15
Jam. Pub. Ser. pfd.	$1.75	July 3	June 15
East Koot. Pr., pfd.	1¾%	June 15	May 31
Mining Corp.	12½c.	June 13	May 29
Lake Shore Mines	20%	June 15	June 1
Brading Brew.	50c.	June 15	May 31
Bk. of Nova Scotia	4%	July 3	June 15
Can. Permanent	3%	July 3	June 15
Can. Malting	37½c.	June 15	May 31
Stand. Chemical, c.	$1.00	Sept. 1	July 31
Dom. Glass, c.	1¾%	July 2	June 15
Cooksville Brick, pfd	1%	June 15	May 31
Brand-Hen., pfd.	1¾%	July 1	June 1
St. Maurice Val., pfd.	1¾%	July 2	June 15
Montreal Cottons, c.	1½%	June 15	May 31
Do., pref.	1¾%	June 15	May 31
Wabasso	$1+50c.	July 3	June 15
Huron & Erie Mtge.	2%	July 3	June 15
Canada Trust	5%	July 3	June 15
Hollinger	2%	June 16	May 30
Stanfords, com.	25c.	June 15	May 31
Bell Telephone	2%	July 14	June 23
Can. Bakeries 1st pfd.	$1.75	June 15	June 5
Do., 2nd pfd.	$1.75	June 15	June 5
Cosgrave Brew.	1½%	June 15	May 31
Ham. Un. Thea. pfd.	1¾%	June 30	May 31
Landed Bkg.	2½%	July 3	June 15
Nor. Bakeries	50c.	July 2	June 15
Tuckett Tob. c.	1%	July 14	June 30
Do., pref.	1¾%	July 14	June 30
Port Alf. Pulp pfd.	1¾%	June 15	June 1
Canada Cement, pfd.	1⅝%	June 30	May 31
Montreal Tramways	$2.50	July 14	June 6
Belgo Can. Paper, pfd	1¾%	July 2	June 1

PICCADILLY
PIPE tobacco at its very best.

PICCADILLY
In patent hermetic tins at twenty-five cents.

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low	Last year High (Discount)	Low
May 23	1-8	5-64	1-32	[illegible]
May 25	9-64	1-8	7-64	[illegible]
May 26	9-64	1-8	7-64	[illegible]
May 28	3-16	1-8	1-16	[illegible]
May 29	3-16	3-16	5-64	[illegible]
May 30	3-16	3-16	3-32	[illegible]

STERLING, FRANCS and LIRE

	Sterling Close	Francs Close	Lire Close
May 23	4.87 13-16	3.93 1-2	5.26 3-4
May 25	4.88	3.93 9-16	5.26 7-8
May 26	4.89 1-16	3.94 3-8	5.27
May 28	4.88	3.93 5-8	5.26 3-4
May 29	4.88 1-16	3.93 5-8	5.26 7-8
May 30	...	...	...

FOREIGN EXCHANGE

Par		May 22	May 29
13.90	Italian	5.27	[illegible]
23.82	German	23.95	[illegible]
13.90	Belgian	13.97	[illegible]
84.85	Japanese	46.40	[illegible]

Flood Barnes Active Bond Prices

	Price	Rate	Years to Maturity	Next Int. Date	Yield %
Abitibi Pwr. & Paper Gen. 6's, due '40	106	6	12	July 2	[illegible]
Agric. Mtge. Bk. of Colombia Gtd. S.F. 7s, due '47	100¼	7	19	July 15	[illegible]
Alberta Pacific Grain 1st S.F. 6's due '46	102¼	6	18	June 1	[illegible]
Argentine Govt. 6's, Series "B", due '58	100¼	6	30	June 1	[illegible]
Asbestos Corp., 1st Ref., S.F. 6's, due '41	103¼	6	13	July 1	[illegible]
Asbestos Corp. Gen. Mtge. S.F. 6's, due '56	99½	6	28	July 1	[illegible]
Bell Tel. of Can. 1st 5's, Series "B", due '57	105¾	5	29	June 1	[illegible]
Brazil, United States, Ext. S.F. 6½'s, due '57	98¾	6½	29	Oct. 1	[illegible]
Canada Cement. 1st Mtge. S.F. 5½'s, due '47	103	5½	19	Nov. 1	[illegible]
Canada Power & Paper Coll., Trust 5½'s, due '58	99.05	5½	30	July 1	[illegible]
Canada Paper, 1st S.F. 6's, due 1945	104	6	17	June 4	[illegible]
Can. Light & Pwr., 1st 5's, due '49	96¼	5	21	July 1	[illegible]
Can. S. S. Lines, 6's 1st & gen., Series A, '41	103¼	6	13	Oct. 15	[illegible]
Can. S. S. Lines Consol. 5's, due '43	103	5	15	Aug. 15	4.71
C. P. Rly Coll. Trust 5's, due '34	102	5	6	Oct. 15	[illegible]
C. P. Rly. Secured 4½% notes, due '44	100	4½	16	June 15	[illegible]
Can. Goodrich Income 7's, due '43	62	7	15		
Chile Republic Ext. S.F. 6's, due '60	96	6	32	Oct. 1	[illegible]
Columbia Repub. Ext. S.F. 6's, due '61	94½	6	33	Oct. 1	[illegible]
Dom. Iron & Steel Consol. S. F. 5's, due '39 (£)	75½	5	11	Sept. 1	
Donnacona Paper Co. 1st S.F. 5½'s, due '48	100	5½	20	Aug. 1	[illegible]
Donnacona Paper Co. 6's Debentures, due '48	101½	6	20	Aug. 1	[illegible]
Duke Price Power S.F. 6's, Series "A", due '66	106¾	6	38	Nov. 1	[illegible]
Fraser Companies 1st S.F. 6's, due '50	104½	6	22	July 1	[illegible]
Fraser Companies 6½'s Debentures, due '42 Cum. Stock Rights	109	6½	14	Oct. 1	[illegible]
French Line Ext. S.F. 6½'s, due 51	102	6½	23	Aug. 15	[illegible]
French National Mail S.S. Ext. S.F. 6's, due '52	99	6	24	Nov. 1	6.07
Gen. Steel Wares, Ltd., 1st mtge. S.F. 6's, due '52	103	6	24	Nov. 1	5.78
Gatineau Power, 1st 5's, due '56	101	5	28	June 1	4.93
Gatineau Power S.F. Debs. 6's, due '41	104	6	13	June 15	[illegible]
Hydro-Elec. B'd & Sh. Corp. Coll. Trust S.F. 5's, due '47	98½	5	19	Nov. 1	5.12
Manitoba Power 1st S.F. 5½'s, due '51	104¾	5½	23	July 1	5.15
Massey-Harris Co. 1st Mtge. 5's, due '47	98¾	5	19	Oct. 15	5.10
Mtl. Coke & Mfg. 1st 5½'s, Series A, due '47	102¾	5½	19	June 1	5.26
Mtl. L.H.&P. 1st Ref. & Coll. Trust, 5's, Series A, due '51	103¼	5	23	Oct. 1	4.77
Mtl. Tram. 1st Coll. Trust 5s, Series A, due '41	102	5	13	July 1	4.74
Mtl. Tramways Gen. & Ref. 5's Series "A" due '55	101	5	27	Oct. 1	4.89
Nova Scotia Coal & Steel 1st S.F. 5's, due '59	76½	5	21	July 1	
Northwestern Utilities, 1st S.F. 7's, due '38	104½	7	10	June 1	6.40
Port Alfred Pulp & Paper 1st S.F. 5½'s, due '57	100½	5½	19	Nov. 1	5.46
Price Bros. 1st S.F. 6's, Series A, due '43	106¾	6	15	Aug. 1	5.35
St. Law. Paper 1st S.F. 6's, Series A, due '46	105	6	18	Sept. 1	5.55
St. Law. Paper S.F. 6½'s, due '36	102	6½	8	July 2	6.17
Southern Can. Pwr. 1st 5's, Series A, due '55	102	5	27	Oct. 1	5.13
United Grain Growers 1st. Mtge. 5's, due '48	98	5	20	July 2	5.17
United Securities Coll. Trust S. F. 5½'s, Series A, due '52	103¾	5½	24	May 1	5.25
Wayagamac Pulp & Paper 1st S.F. 6's, due '51	105	6	23	July 1	5.60
Winnipeg. Electric Ref. 6's, due '54	105½	6	26	Oct. 1	5.60

June Dividend Payments

Summary of Payments

Dividends	$17,159,113
Bond interest	19,268,243
Total	$36,427,356

Dividend Payments

Company	Rate	Date	Amount
Anticosti Corp. pref.	1¾q	1	$ 52,500
Asch Ltd., pref.	1¾q	1	8,750
Barcelona Tr. pref.	1¾q	30	440,884
Brading Brew. com	50cq	15	11,000
Bk. Can. Nationale	2½q	1	137,500
Bk. of Montreal	3q	1	897,501
Bank of Toronto	3q	1	150,000
Belding Cort. pref.	1¾q	15	15,142
Can. Bakeries 1st pref	1¾q	15	17,150
Do., 2nd pref.	1¾q	15	17,500
Can. Bk. of Commerce	3q	1	600,000
Can. Pac. Rly. com.	2½q	30	6,500,000
Canada Paper pref.	1¾q	1	21,875
Confederation Life	5q	30	5,000
Can. Hydro-Elec. 1st pf.	1½q	1	187,500
Cosgrave Brew.	1½q	15	15,000
Canada Malting	37½cq	15	69,000
Canada Cement pref.	1⅝q	30	331,250
Crow's Nest Coal	1½q	1	93,189
Dom. Life	4q	30	8,000
Durant Motors	10cq	30	30,000
East Koot. Pr. pref.	1¾q	15	17,500
East. Theatres com.	50cq	1	16,000
Famous Players 1st pref.	$2q	1	84,018
Gt. West Saddlery 1st pf.	1⅝q	1	14,625
Do., 2nd pref.	1⅝q	1	3,250
Gt. Lakes Pr. pref.	1¾q	15	10,500
Hamilton Dairies pref.	1¾q	1	13,125
Ham. U. Theatres pref.	1¾q	30	13,787
Hollinger Mines	2%	16	492,000
Imperial Oil	25+12½c	1	2,465,843
Imperial Tobacco c.	1½q	1	568,887
Inter. Nickel com.	50cq	30	836,692
Inter. Milling pref.	1¾q	1	52,571
Laura Secord pref.	1¾q	30	13,125
Lake Shore Mines	20q	15	400,000
Lake of Woods com.	80cq	1	84,000
Do., pref.	1¾q	1	26,250
Lindsay, C. W., pref.	1⅝q	1	19,500
Loblaw Grocet. com.	50cq	1	87,117
Do., pref.	1¾q	1	9,584
London Life Ins.	5q	30	5,000
London Loan	1¾q	30	15,600
Legare, P. T., pref.	1¾q	1	10,500
Mitchell, Robt., pref.	1¾q	1	8,750
Mining Corp.	12½c	13	207,506
McIntyre Mines	5q	1	199,500
Montreal Cottons com.	1½q	15	45,000
Do., pref.	1¾q	15	52,500
Montreal Loan	3q	15	18,000
Ogilvie Mill. pref.	$1.75q	1	35,000
Ottawa & Hull Pr. pfd.	1¾q	15	26,250
Photo Engravers	50cq	1	15,000
Port Alfred Pulp pref.	1¾q	15	105,000
Premier Trust	2½s	30	4,200
Provincial Bank	2¼q	1	90,000
Royal Bank	3q	1	900,000
Royal Trust	4q	30	40,000
Ruddy, E. L., pref.	1¾q	1	13,125
Simon, H. & Sons, pref.	$1.41	1	14,100
Stanfords com.	25cq	15	5,000
Walker- G. & Worts c.	50cq	15	330,000
Wayagamac	75cq	1	75,000
West. Can. Flour com.	35cq	15	30,187
Do., pref.	1⅝q	15	40,218
Windsor Hotel pref.	1⅝q	1	36,562
Total			$17,159,113

q—Quarterly.
s—Half-yearly.

Bond Interest Due in June

Company	Rate	Date	Due	Amount
Alta. Pac. Grain	6	1	1946	$105,000
Algoma Steel	5	1	1944	145,000
Avalon Telephone	6	1	1946	6,423
Amos Water & Pr.	7	1	1930	2,625
Barcelona Traction 1st mtge.	5½	1	1974	284,436
Bell Tel. "B"	5	1	1957	250,000
Can. Car	6	1	1939	99,468
C.P.R. Note Cert.	4½	15	1944	592,532
Cuban Can. Sugar	6	30	1936	36,000
Canada Paper	6	4	1945	57,528
Clarendon Apts.	7	15	1946	17,500
Cawthra Apts.	7	1	1946	14,875
Deer Park Manor	7	1	1940	5,250
Dominion Glass	6	2	1933	28,962
Drummond Invest.	6½	1	1938	60,108
Do.	7	1	1938	21,542
Frontenac Brew.	6	1	1951	30,168
400 Avenue Road	7	1	1946	10,500
Godfrey Realty	6	1	1942	45,000
Gatineau Pr.	5	1	1956	1,087,000
Do., S. F. deb.	6	15	1941	375,000
H. Smith Paper	6	1	1934	11,061
Invest. Bond & Sh.	5	1	1947	100,000
Keefer Realty	6½	1	1943	24,375
Lake Sup. Corp.	5	1	1944	131,950
Loew's, Marcus	6	1	Serial	9,030
Matapedia Cal. L.	6½	1	1944	11,375
Montreal W. & Pr.	4½	31	1932	106,880
Do., 1st mtge	5	30	1932	20,777
Montreal Coke	5½	1	1947	110,000
Montreal Steel	6	1	1940	14,130
Nor. Can. Power	6	1	1945	180,000
Do., Gold Notes	7½	1	1930	37,500
Nor. West. Util.	7	1	1938	106,137
N. S. Tram.	5	1	1946	56,250
Ogilvie Flour "A"	6	1	1932	30,000
Do., "B"	6	1	1932	22,500
Do., "C"	6	1	1932	18,000
Ott. River Power	6½	1	1953	130,000
Ott. Electric	5	1	1933	15,625
Ogilvy Realty	6½	1	1952	26,000
Riverside Iron	7	1	1947	7,875
Sao Paulo Trams.	5	1	1929	150,000
St. Maur. Val.	6	1	1945	287,571
Shaw. Cotton	6	1	1949	26,115
Stan. Chemical	5	1	1934	7,770
Standard Clay	6	2	1942	17,358
St. Maur. Val. Cot.	6	1	1952	36,762
Trin. Electric	5	1	1931	18,000
Van. Georgia Hotel	6½	1	Serial	43,875
Wabasso Cotton	6	1	1947	24,330
West Koot. Pr.	6	15	1943	47,655
York-Adel. Realty	7	1	1945	14,000
Corporation bonds				$5,097,818
Victory Loan	5½	1	1937	6,498,217
†Dom. Loan (1884)	3½	1	1909-34	410,676
Municipal bonds	.		....	x4,062,500
Provincial bonds	.		....	x3,199,032
Total				$19,268,243

xFigure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.
†Payable in London.

Farmers Buying Equipment

Reports received at Medicine Hat, from all points indicate that much farm machinery is being bought this spring, and in fact many agents report that the implement dealers have been unable to get enough machinery from the manufacturers to fill their orders. For instance, dealers in Cabri, Sask., have sold fifty-three tractors so far this spring. There were also eight carloads of automobiles and one carload of trucks sold at this point.

A. J. Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
BONDS AND SHARES
"Specialists Unlisted Bonds and Stocks"
219 Bay Street, (Ground Floor) Toronto
Elgin 5101-5102-5103 5104-5105-5106

Current Events in Banking World

CANADA IS SLOW TO ADOPT CHEQUE STANDARDIZATION

We Lag Behind United States Where Single Size is in Favor

As a community develops and prospers, the business education of the general public improves, and our indication of this is the increasing use of cheques.

In Canada, it is estimated there are three times as many cheques issued as there were ten years ago, and some think the rate of increase even greater. Definite information is not available however, and the actual figure can only be guessed at. In the United States where they pay particular attention to statistics of all kinds, they have begun to include in their statements of business progress the increase in the volume of cheque transactions, and the last published figures indicate that in the present year the cheque transactions show an increase over those of last year of some 15 per cent. for the same period. The habits and customs in Canada are very similar to those of our American cousins, and we will not be far astray in assuming a similar increase in the use of cheques in this country.

Problem of Handling Grows

With this increase the problem of handling them becomes constantly more difficult. Some idea of this may be gathered from the amount of bank debits to individual accounts in the clearing house centres in Canada, as compared with the deposits. In March of this year, the notice and demand deposits amounted to $2,106,000,000, while the cheques on the accounts in the banks in the clearing centres only, amounted to $3,102,000,000, indicating a very rapid turnover of funds on deposit in the banks.

In order to facilitate the handling of the steadily increasing volume of cheques, American banks have been urging for some years the adoption of standard-sized cheque forms, and banking organizations all over that country have been working to this end. When they began their educational campaign some two years ago, only some 50 per cent. of the cheques in use could be considered as conforming to the standard decided on as the most convenient for all concerned, but now the percentage is 85, and some localities report that all the cheques in use with them are of the standard size.

Canadians Like Odd Sizes

In Canada odd sizes in cheques seem to find favor with the public; why it is hard to say. In some cases it is due to the vanity of the user, and in others because of a mistaken idea that a freak cheque is an advertisement. It is an advertisement, but not in the way they think. It would be a liberal education if some of these users could hear the comments on themselves and their cheques made by those who handle the instruments in the ordinary course of business, not only by the bank staffs, but by the office staffs of those to whom the cheques are sent.

Clerks Handle Cheques To-Day

The advertising idea is based on ancient history and on the practice in the days when merchants went over their shops and personally handled all the cheques received. Now the principals of a business of any worth-while size never see the cheques, which all go to the cashier or book-keeper. He, poor devil, has to do his best with a batch of cheques of varying sizes, some with the amount in one place, some with the amount in another, others with a picture of the first head of the firm (usually a hard-boiled looking citizen with a beard). Some people insist on a half-tone engraving of their factory or plant as a background, and the particulars of amount and the name of the payee must be written over the picture. All these frills make the picture hard to decipher, and this takes time, which in the rush of making up a deposit can be ill spared, so the cashier curses the etcetera'd idiot who designed it. When it is handled in the banks who receive the deposits the same delay and the same comments result.

Standardization Cuts Costs

These frills also make the cheques more expensive, and in the United States they report that, by standardizing the cheques they can cut down the cost by $2.50 per thousand. When it is understood that in Toronto, for instance, the number of cheques cleared on an average day is 70,000, (and this takes no account of the cheques negotiated at the bank on which drawn or between branches of the same bank, nor does it take into consideration the volume of pay cheques issued), some idea may be gathered of the savings which would be made in Canada in a year. The printers and engravers would welcome a plan for standardization, because, for one thing, the paper stock on which the cheques are printed would cut to better advantage, and there would not be the waste in cutting to figure in the cost of a job.

In the United States the movement towards standardization of cheques has been materially assisted by the co-operation of those in the trade, and the same thing would be done here.

No Reason for Opposition

In some things standardization can be objected to for many good reasons, but in the matter of cheques there is no valid reason for opposing it. In order to obtain the best results from the use of these convenient instruments of commerce, the question of prompt handling is one of the chief factors. The nearer the handling of cheques can approach the mechanical, the better. Anything which interferes with simple handling lengthens the time which the operation must take, and to this extent nullifies the benefits of the system, and adds to the cost.

In Canada the banks themselves are, in one respect at least, largely to blame. They print savings cheques of about half the size of ordinary cheques, and the number of these is heavy. They are hard to handle because of their small size, and for the same reason not always easy to decipher. The banks in the United States do not permit cheques against savings accounts, nor do American trust companies, and this problem over there does not bother them. They hold that if funds are deposited in a savings account, they are intended to be left as savings deposits. If a customer wishes to issue cheques he must open a current account, and carry a stipulated balance commensurate with the activity of the account, or pay a monthly charge of from one to two dollars for the privilege.

In this connection it has been found by American banks, that when a customer's account gets into what they call the monthly charge class, it is almost the invariable rule that it never reaches the stage where it becomes a profitable account for the bank, and this is one reason why the service charge on chequing accounts has, over there, become almost the rule.

Weekly Bank Clearings

(As compared with same week last year)

Eastern Cities

	May 26, 1927	May 24, 1928
Halifax	$ 2,901,872	$ 2,712,616
St. John	2,348,252	2,495,462
Moncton	779,882	766,501
Quebec	....	6,615,000
Sherbrooke	600,196	1,026,399
Montreal	91,079,603	133,651,632
Ottawa	5,190,856	6,826,351
Kingston	740,999	705,793
Peterboro'	780,903	860,626
Toronto	94,045,114	127,554,161
Hamilton	....	5,179,242
Brantford	1,107,344	1,087,497
London	2,649,327	3,368,859
Kitchener	903,296	1,107,110
Chatham	734,599	....
Windsor	4,728,558	4,649,810

Western Cities

	May 26, 1927	May 24, 1928
Fort William	$ 749,545	$ 1,032,867
Winnipeg	42,456,522	66,370,683
Brandon	462,464	559,023
Regina	3,209,332	4,326,494
Moose Jaw	942,042	996,050
Prince Albert	320,294	393,993
Lethbridge	363,193	632,127
Calgary	5,662,188	10,598,877
Edmonton	4,698,623	5,877,862
Medicine Hat	194,199	409,248
New Westminster	748,513	737,160
Vancouver	15,894,359	17,625,618
Victoria	1,722,393	2,055,719
Saskatoon	1,540,959	2,011,609

Bank Chat

Bank of Nova Scotia has opened a branch at Caldomin, Alta.

P. B. Fowler, manager of the Canadian Bank of Commerce, was elected president of the Victoria Chamber of Commerce.

John L. Buchan, manager of the Sarnia branch of the Canadian Bank of Commerce, is to be transferred to head office at Toronto.

Pierre Turcotte has been appointed manager of the Provincial Bank at Chicoutimi. He has been manager at Jonquiere for three years.

A branch of the Bank of Nova Scotia has been opened at 2735 Fourth Ave. West, near Stephens St., Vancouver, to be known as "Fourth and Stephens Branch, Vancouver."

Frank N. Lett, manager of the Royal Bank of Canada at Hanna for the past three years, is leaving for Grande Prairie, where he will succeed Harold R. Roach as manager of that branch.

H. Clarke, who has been in charge as manager of the Bank of Montreal at Mildmay for the past three and a half years, has received notice of transfer to the James and Barton St. branch, Hamilton.

The Imperial Bank has installed tear gas equipment in some of its branches here and will proceed with the others. The gas is discharged from "guns" placed in various parts of the bank and which can be set off from several points in the room.

Alex. F. Macdonald, one of the oldest members of the staff of the Bank of Montreal, died in Montreal at the age of 78 years. He was born at Cornwall, Ont., and served with the bank at Montreal, Hamilton, Port Hope, Chatham and at the head office, retiring in 1924.

A change in the managership of the Fredericton branch of the Canadian Bank of Commerce is to take place early in June, W. T. Gerald, manager for the past 11 years, having been notified of transfer to Sarnia, Ont., and of the transfer of J. H. O'Halleran, now branch manager at Richmond, Que., to succeed him.

Cecil H. Carter, connected with the Canadian Bank of Commerce for 37 years and lately manager of the savings department of the Vancouver branch, has retired from the bank to become associated with Mair, Stewart and Mather, bond dealers, Vancouver. Mr. Carter has served the bank also in Victoria, New Westminster and Nanaimo.

W. Fairbairn has been appointed manager of the Calder branch of the Bank of Montreal to succeed L. F. Hawitt, who has been promoted to the management of the Perdue branch. Mr. Fairbairn has been accountant in the Estevan branch for the past two years and has previously served in various branches in Saskatchewan and British Columbia.

R. H. Arkell, manager of the King and James Streets, Hamilton, branch of the Bank of Montreal, has been appointed manager of the Bay Street branch of the bank in Toronto. Mr. Arkell has been a manager in Hamilton for 15 years and is well known throughout the city. He began his career with the bank in Montreal and served at St. Thomas and Stratford.

The new Dominion Bank branch building, Portage Ave., at the northwest corner of Kennedy St., Winnipeg, will add to the fine structures which are now going up on this avenue. The Portage avenue frontage is 44 feet and the building will contain the bank's office and a store on Portage avenue. It will be two stories in height on the avenue extending back on Kennedy street 50 feet; back to the lane it will be one story, and three stores will be located in this part of the block. The front and the two stories portion will be of Tyndall stone, and the one-story of brick and stucco. Thomas Sharpe, ex-mayor, is the contractor, and he already has started on the excavation. The cost will be $60,000.

The Royal Bank of Canada has announced the appointment of S. A. Duke, as manager of their Toronto branch in succession to the late C. J. Sloan. Mr. Duke entered the service of the Traders Bank of Canada at Grand Valley, Ont., in November, 1904. He was appointed accountant at Elmira in 1907, and at Stratford in 1910. At the time of the merger of the Traders Bank of Canada in 1912, Mr. Duke was made manager at Harriston, Ont., and in 1915 at Brandon, Man. In 1918 he was transferred to Toronto as assistant inspector and continued in the inspection department at Toronto, Montreal and Halifax until August, 1921, when he was appointed manager at Sherbrooke, Que. From 1925 to 1927 he was manager at Windsor, Ont., and last October was appointed assistant supervisor of Ontario branches.

The North Bay Nugget complains about dirty bank bills. Under the heading "Filthy Lucre," it says: "The old complaint about the dirty bank bills which are in circulation throughout the country is again being heard, as a result of a discussion which took place at a recent meeting of the house of commons banking and commerce committee. Col. S. C. Robinson, M.P., called the attention of Mr. Henry T. Ross, secretary of the Canadian Bankers' Association, to the number of bills passing from hand to hand which, he considered, should be called in by the banks and the government, to be replaced with new ones. So far as the chartered banks are concerned, it was stated that notes are renewed annually, but it is not, of course, possible to get hold of every one of them. Criticism was made of government officials, who refused to withdraw some old bills sent to them for cancellation, in one specific instance, on the ground that 'they had not been used long enough.' There is, it seems, no law compelling the cancellation of worn or dirty notes within a definite period; but it is claimed that their life has been considerably shortened within the last fifteen years. That may well be. Money circulates more freely in these days; there is not the hoarding there used to be, and naturally the bills get worn out more quickly. But it is undeniable that there are many bills, especially those of low denominations, which are offensively dirty and some of them in a very dilapidated condition.

"Contrast was made with conditions in the United States. Mr. Robinson declared that he had always got clean bills in his travels in that country, whereas in Canada he had seen bills which looked 'as if they had been carried in some one's shoe." Hon. Mr. Stevens said some of the one and two dollar bills he had been forced to take in a recent trip to Canada 'were not fit for a human being to handle.' This question of unclean paper currency is an important one, not only from the point of view of health and decency, but also from the point of view of creating a good impression on visitors to the Dominion. It is not a good advertisement for the progressiveness of the country to be handed change in the form of dirty scraps of paper, torn and defaced as well as discolored, because it is considered more economical to keep them in circulation than to replace them. Perhaps conditions are better than they used to be, as claimed, but none can maintain that they are yet satisfactory. Both the government and the banks should see to it that the grounds of complaint are removed."

Good Hop Crop

A total yield of 1,425,875 pounds of hops was secured from 1,037 acres in British Columbia in 1927. This was practically double the 1926 average, substantially the largest yield in the history of the industry. At an average price of 32 cents per pound, the crop was worth $456,280. In 1928 an additional 332 acres of hops in the province came into bearing.

BRITISH TRADE LOSES GROUND IN JAPAN

Americans Win Out by Linking Loans with Sales of Goods

From Our Own Correspondent

LONDON, Eng. — According to the Japanese correspondent of the Federation of British Industries, British interests in Japan are losing headway against the U.S.A. It is claimed locally that the only way of redressing the position is through the medium of loans on the express condition that preference should be given to British material when purchases are made with the money borrowed. It is stated that this is the policy upon which the Americans have been able to achieve their present strong position. By close co-operation between finance and industry, the Americans have obtained such a hold over Japanese industrialists that British representatives on the look-out for orders have frequently been forced to suspend negotiations because the people with whom they are negotiating have proved to be subsidiaries of, or in some way connected with another leading concern which steps in with the intimation that they are bound by financial agreements to give preference to American machinery or other material.

A further adverse influence to British trade is the increasing tendency of the Japanese to give preference to home-made goods even though these may be inferior in quality. This is particularly noticeable in the case of electrical fittings, while competition in carbon tool steel is being particularly felt by British representatives in Japan from German sources. It is stated that the price quoted by German houses is extremely low.

Contract Let for Halifax Harbor Cold Storage Plant

From Our Own Correspondent

MONTREAL. — Foundation Co. of Canada has been awarded the contract by the Halifax Harbor Commission for the construction of a modern cold storage plant at Halifax to cost approximately $2,500,000.

This will be constructed on an eight acre lot close to the ocean terminals in the south end of the city and completion of the plant is scheduled for next winter. The buildings, four in number, will be reinforced concrete throughout and two units will be of six stories in height.

Under the Dominion cold storage act of 1907, the Federal government will aid the project to the extent of 30 per cent. of the total amount involved.

Saskatoon Building Active

Announcement has just been made of an appropriation of $600,000 for the construction of a public building at Saskatoon. This five storey structure will house the Post Office, Customs Offices and all other government offices.

Western Investments

Those who have investments in British Columbia, with which they are not familiar, may write to us for independent reports or valuations.

Our organization covers every section of the province.

Pemberton & Son
Vancouver Limited
418 HOWE STREET
Vancouver, Canada

NEW ISSUE

$5,000,000

For Subscription in Canada $3,500,000

Quebec and Chibougamau Railway Company

(Legislation will be applied for, changing the name as under)

Quebec, Saguenay and Chibougamau Railway Co.

6 p.c. First Mortgage Fifteen Year Gold Bonds

Dated April 1st, 1928 — Due April 1st, 1943

Principal and semi-annual interest (April 1st and October 1st.) will be payable at all the branches of the Banque Canadienne-Nationale in Canada and the Bank of Montreal in Toronto and at the National Park Bank in New York.

TRUSTEE: The Sun Trust Company of Canada, Quebec.
BANKERS: The Banque Canadienne-Nationale.
LEGAL ADVISERS: St. Laurent, Gagne, Devlin & Taschereau.
SECRETARY: C. E. Taschereau, Esq., N.P.

DIRECTORS

President, The Honorable Lord Gainsford, C.P., member of the Board of Directors of the Royal Insurance Company Limited, etc.; **Vice-President**, Sir Henry W. Thornton, K.B.E., president of the Board of Directors and president of the Canadian National Railways; **Directors:** Hon. Adelard Turgeon, C.M.G., C.V.O., Quebec, president of the Legislative Council of Quebec; Colonel Sir George Courthope, Bart., director of "Southern Railways" in England, etc.; Mr. William Phipps, administrator of the Industrial Service of the Canadian National Railways; Colonel the Hon. George Elie Amyot, member of the Legislative Council of Quebec, vice-president of the Banque Canadienne-Nationale and the Caisse d'Economie, etc.; Sir Richard A. Pease, Bart.; Mr. Henri Bray, Quebec, director of the Dominion Corset Company, president of the firm of Bray, Caron & Dube Limited, etc.; J. C. McConnell, the Hon. P. J. Paradis, Senator, director of Quebec Power, etc.; Mr. William T. A. Proctor, managing director of the "Base Metal Extraction Company Limited." Mr. E. C. Taschereau, Notary Public, director of "Canada Steamship Company" and of Quebec Power Company, Limited, etc.

OWING to arrangements made with the Canadian National Railways, who have the supervision of the construction, the Company is assured of the entire co-operation of the Canadian National Railways.

THE country through which this line will operate is very rich in natural resources that will assure a large amount of freight, which will bring in a substantial revenue.

THE Quebec, Saguenay and Chibougamau Railway will realize at last the need of a belt line around Lake St. John, and will pass through a very rich farming country.

PRICE: 100 AND ACCRUED INTEREST TO YIELD 6%

With a bonus of one share of common stock of the par value of $100.00 per $1,000 bonds.

Definite bonds will be ready for delivery on or about the 15th of July next. In the meantime we are actually delivering temporary bonds of the Sun Trust Company of Canada.

Bray, Caron & Dubé Limitée

INVESTMENT BANKERS

71 St. Peter St.

QUEBEC

DOMINION BRIDGE CO.
LIMITED

Montreal, P.Q.

ENGINEERS, MANUFACTURERS *and* ERECTORS *of* STEEL STRUCTURES

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FOR nearly sixty years our aim has been the development of a service of individuality — a service not only efficient but interested.

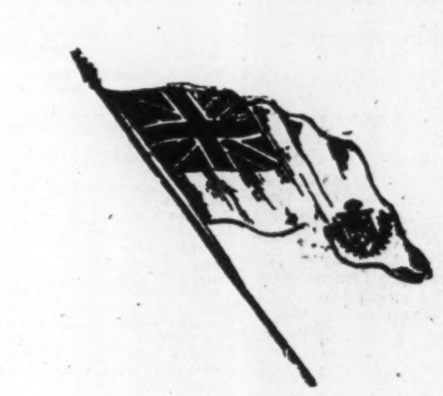
We take pride in acquiring lasting business relations, and this is reflected in the courtesy and promptness with which our customers' requirements are met.

You Will Like Banking at The Royal

The Royal Bank of Canada

Resources Over 838 Million Dollars

800 BRANCHES IN CANADA



Must We Imitate the German Submarines?

DURING the World War the Germans tried to paralyse the trawler fleet of Great Britain. A dead set was made on them by the submarines, with the result that the catch fell 60% and the price to the consumer rose 250%.

One of the National Fish Co., Ltd., trawlers was sunk in this struggle, The Triumph going down before a submarine which crossed the Atlantic to cripple the food supply of this continent.

And now the rest of the National fleet of trawlers is threatened by the majority report of the Fisheries Commission (the Chairman, Mr. Justice MacLean, dissenting).

If this report becomes law Canadian trawlers must be withdrawn at the same time as European and American trawlers, already on our fishing grounds by the hundreds, will have the whole field to themselves. If you don't want our flag pulled down in favor of a foreign fleet, if you don't want our great and growing fishing industry destroyed, if you don't want the supply of fresh fish to fall off and become irregular, write your representative in Ottawa.

2,000 retailers depend for their supply of fresh fish, week in, week out, on the trawlers of our fleet alone.

A Million Consumers depend for their regular supplies of fresh fish, week in, week out, on the trawlers of our fleet alone.

This advertisement is published by the National Fish Co., Ltd., not only on its own behalf, but in the interest of all Canadian owned and Canadian manned trawlers the Canadian fishing industry as a whole, as well as the fish retailers and consumer of Canada.

Insurance for Buyer and Seller

Compensation Men May Establish Pool for Rejected Risks

Otherwise New Quebec Law May Prove to be But Joker

AFFECTS TRADERS

Hazardous Industries Must Get Insurance But Are Refused by Companies

From Our Own Correspondent

MONTREAL.—A fly has been found in the compensation ointment.

When the new compensation law goes into force in Quebec Province on September 1, or thereabouts, compulsory liability will be automatically forced upon thousands of employers in the hazardous industries covered under the act. Under the plan, the insurance companies have assumed the major obligations of underwriting this liability. It is now realized that there are thousands and thousands of dollars worth of risks throughout the province, that none of the companies are willing to insure. What will happen then, to these employers, who on account of a poor record, are for other reasons, refused insurance by the companies, but are forced to obtain it under government decree?

That in brief is the problem that the compensation companies are now facing.

Not Profitable

Speaking generally the compensation business has not been profitable to the insurance companies. The loss ratio has been mounting rapidly each year, and last year reached the high point of 82 per cent. Not only has the whole business been unprofitable but there is a reluctance on the part of insurance companies to accept many of the classes of risk. This is because these particular classes have been very unprofitable. Such classes include logging, and lumbering, saw mills, mining, and heavy construction groups.

In addition to these general classes, there is a reluctance on the part of companies to take many of the smaller risks such as employers who will have ten or fifteen men employed, especially those in the hazardous industries, and all of which will be swept into the picture when the new law comes into force.

Soon Compulsory

At the present time compensation insurance is not compulsory for employers and the companies are not under any obligation to accept business which is undesirable. The situation will be entirely changed when the new act comes into force. Under this act, insurance for both desirable and undesirable risks will be compulsory. It is the solution to this problem, that the insurance companies are now endeavoring to find.

The plan that has been suggested is that the companies form an underwriting pool which will take care, under a co-operative plan, of all this undesirable business. This pool would consist of all companies writing workmen's compensations insurance in Quebec. The formulation of such a plan is now underway. No definite form has yet been decided upon but a survey is being made of various schemes in force in the United States, covering situations such as will arise when the new workmen's act comes into force in Quebec. Various companies are being approached and opinions heard and expressed as to how best to classify the risks which individual companies are unwilling to write.

Employers Needed

One feature is the importance of obtaining the co-operation of the employers. It is recognized that insurance companies should not have to accept risks which are unnecessarily dangerous to the lives of workmen. In other words, many risks are at the present uninsurable, because the plant and equipment are at fault or because the supervision and management are defective.

One object of the present negotiations, therefore, is to create a system whereby employers will be made to co-operate, by means of installing adequate safeguards upon machinery; and by the use of methods of operation and organization which will avoid unnecessary accidents. As the prevention of accidents is one of the important features of the new law, doubtless some plan will be formulated whereby co-operation between the commission which is to administer the law, the employers, and the insurance companies, may be arrived at.

Two Alternatives

At the present moment, two alternatives seem to present themselves as solutions. First that an ordinary pool system be inaugurated, which would pool all the risks under these very hazardous classifications. Secondly that the insurance companies create or appoint some sort of arbitration committee which would adjudicate all doubtful or undesirable risks, and allot them on some definite basis to the various companies writing compensation insurance.

It will be some weeks probably before any definite decision is reached as to which plan, if any, is adopted. Sooner or later, however, some definite action must be taken by the companies if the act is to come successfully into operation on or about the first of September.

Insurance Director

W. E. PAYNE, K.C., of Red Deer, Alberta, recently re-elected a director of the Ontario Equitable Life and Accident Insurance Company. Mr. Payne has practised law in Red Deer for twenty-five years and has been active in provincial and municipal politics. He has taken considerable interest in the western agency work and the western investments of the Ontario Equitable.

SHARES OFFERED IN TRANS-CANADA BY STOCK FIRMS

Insurance Company Writing Fire and Casualty Risks Makes Issue

From Our Own Correspondent

MONTREAL.—Two local investment houses are making a public offering of stock in the Trans-Canada Insurance Company this week. The company was recently incorporated to operate in Canada under a Dominion license, and is at present engaged in writing fire, sprinkler leakage and explosion; automobile and plate glass insurance under P. J. Perrin, late of the Mount Royal Insurance Co., as general manager. The syndicate offering the stock is composed of Geoffrion & Co. and Ernest Savard, Ltée.

The offering consists of 10,000 shares of stock with a par value of $100 each. The stock will be offered at an initial payment of $50, of which $20 will be represented by a call on capital stock and $30 as premium. The company expects to make another call of $20 per share which would be applied to premium, making a total payment on each share of $70. Of this sum, $20 would therefore be applied to capital stock and $50 to premium. The stock would thus be "called" to the extent of 20 per cent. of its par value, and total additional liability which any shareholders might be called upon to pay would be $80 per share which would entirely pay up the capital stock.

A pro forma balance sheet as at May 1, shows that the company has current assets of cash in the bank amounting to $87,012. Investments in government bonds amount to $102,821, most of which are on deposit with the Dominion government at Ottawa.

Perrin in Charge

The company is preparing to write insurance in all parts of Canada. Agents are being appointed in Quebec, Ontario and Western Canada, and later on in the Maritime provinces. In addition to P. J. Perrin, who is general manager and a member of the board, Charles McCabe, who was for twenty-five years with the Royal Insurance Co. will act as secretary and Stuart Saver, formerly of the Globe & Rutgers Insurance Co., as assistant general manager.

The board of directors is as follows: Gordon S. Westgage, president; Charles B. Grier, vice-president; F. W. Clarke, Quebec; Hon. L. A. David, K.C.; Rt. Hon. G. P. Graham, P.C.; Chas. B. Howard, M. P.; Col. Jas. L. Regan, C.M.G.; Lt.-Col. W. C. Nicholson, D.S.O., M.C.; S. J. B. Rolland, William B. Sheldon, Galt, Ont.; Brig.-Gen. Duff-Stewart, Vancouver: Armand Chaput, Horace Perodeau, and L. E. Potvin.

ALBERTA'S LOSSES RUN OVER 150 P.C. IN HAIL BUSINESS

Provincial Figures Show Individual Experience of Companies

The first preliminary figures covering the insurance experience of the province of Alberta have been released this week. The most important of these are those covering hail insurance in the province. The past year was one of the worst the province has experienced in many years, the loss ratio standing at 151 per cent. This compares with a ratio of losses incurred to premiums, in 1926, of 68.7 per cent. The total figures for all companies transacting business in Alberta are as follows: premiums, $2,647,145; losses incurred, $4,010,783. In 1926 the figures were: premiums, $1,634,831; losses incurred $1,099,151.

In the realm of fire insurance, the experience covers some 162 companies and seven reciprocal or inter-insurance exchanges. The net premiums written during 1927 by these companies amounted to $4,092,902, while net losses incurred were $1,717,330. The ratio therefore of net losses incurred to net premiums written amounted to 42 per cent., as against a similar ratio last year of 52 per cent.

The sale of life insurance seems to have prospered throughout the province. Out of 34 life companies transacting business in the province, 24 show an increase in the amount of business written, revived and renewed throughout the year, while 10 companies have either marked time or else written smaller amounts than during 1926. On the whole, the total is considerably ahead of last year.

The following tables show the experience of the companies writing hail insurance and the companies writing life insurance throughout the province. These include, of course, many companies which are not licensed under the Dominion government.

LIFE INSURANCE

Company	Insurance Written including Revived, Renewed and Increased	Insurance at Risk
Canada Life	$3,709,595	$21,185,771
Commercial Life	2,588,949	5,376,009
Confederation	1,519,162	10,288,912
Continental Life	1,306,215	4,117,655
Crown Life	1,326,216	3,445,635
Dom. of Can. G. & A.	168,085	522,525
Dominion Life	1,911,628	8,543,008
T. Eaton Life	86,000	178,000
Empire Life	24,000	24,000
Excelsior Life	1,164,657	5,361,929
Great West	6,040,475	34,161,706
Imperial Life	2,348,430	16,674,361
London Life	4,100,186	10,799,126
London & Scottish	69,260	975,550
Manufacturers	3,517,910	21,455,898
Metropolitan	5,194,379	19,648,166
Monarch Life	1,082,467	5,067,517
Montreal Life	388,206	799,817
Mutual Life of Can.	4,473,982	23,276,250
Mutual Life of N.Y.	279,370	3,631,207
National Life	373,753	2,625,554
New York Life	2,473,948	16,419,521
North American	2,923,560	16,088,983
Northern Life	1,111,109	3,407,792
Ontario Equitable	887,401	2,658,670
Phoenix Assurance	10,000	134,865
Prudential	4,350,389	18,552,348
Royal Insurance	31,418	368,412
Standard Life *	127,750	782,669
Sovereign Life	798,368	2,752,370
Sun Life	9,750,556	31,356,993
Travellers Insurance	1,232,445	5,887,194
Western Life	179,000	1,560,360
Western Empire Life	372,738	1,997,459

* As at November 15th, 1927.

HAIL INSURANCE

Company	Premium	Losses Incurred
Aetna Insurance	$ 146,478	$ 68,997
Acadia Fire	21,736	35,860
Alliance	19,455	38,482
British Crown	68,212	102,743
British Traders'	80,607	35,048
Canadian Indemnity	248,496	284,275
Canada Security	35,729	57,453
Car & General	150,821	241,116
Citizens'	34,892	48,700
Connecticut Fire	64,778	103,585
Employers Liability	194,295	324,384
Eagle Star & Br. Dom.	68,313	120,414
Equitable Fire & Mar.	7,557	12,084
Federal of New Jersey	34,892	47,445
Farmers Farm Hail	62,674	88,809
Franklin Fire	36,059	64,222
Glens Falls	80,972	123,489
Great American	77,406	103,050
Gen. Accident of Can.	61,296	120,518
Gen. Accident, Fire & Life	32,491	45,774
Home of New York	262,023	528,218
Hartford Fire	124,773	218,530
Insurance Co. of N. A.	61,223	76,174
London Guar. & Acci.	41,478	87,831
London & Scottish	18,640	17,696
Maryland Ins.	21,234	5,374
National Provincial	152,229	262,077
New York Underwrit's	2,082	3,973
Niagara Fire	13,126	17,360
Occidental Fire	1,130	398
Phoenix Assurance	21,736	35,860
Phoenix Insurance	89,610	143,292
Royal Exchange	31,046	35,868
Scottish Canadian	49,608	44,305
Security of New Haven	44,079	88,899
Springfield Fire & Marine	61,223	77,974
St. Paul Fire & Marine	30,362	57,512
Union of Canton	60,521	75,408
Westchester Fire	80,372	129,481
World Fire & Marine	14,745	9,676
Total	$2,647,144	$4,010,783

NEW CANADIAN FIRE COMPANY SEEKS CHARTER

Canadian Commerce Ins. Would Sell Dividend Policies

HAS CAPITAL STOCK

From Our Own Correspondent

MONTREAL. — Application has been approved by the Senate for the incorporation of a new Canadian insurance company to be called the Canadian Commerce Insurance. The bill is now proceeding through parliament.

The new company is being sponsored by Norman S. Jones, of the firm of Seneca, Jones & Son, Hamilton, Ont. Norman Jones, who was for many years the chief Canadian agent of the Northwestern Mutual Fire Association, is at the present time chief agent in Canada for the Mill Owners' Mutual Fire, of Iowa; the General Insurance Company of America, and the United Mutual Fire. It is understood that he will be general manager of the new company.

The plan upon which the company will be organized will be along the lines of the General Insurance of America. The company will have a capital stock but unlike other stock companies, will issue dividend-paying fire insurance policies in addition to straight cash contracts. The General Insurance is at present the only company on this continent operated upon this basis, and the new company will be the first Canadian stock company to be incorporated with a clause in its charter permitting it to issue dividends upon its policies if necessary.

At $75 a Share

The authorized capital stock will be $1,000,000, with a par value of $25 per share. No definite information is available as yet as to whether or not there will be a public stock offering. The stock will be issued at its full par value of $25 per share, plus a premium of $50 per share, making the total issue price $75. The company is seeking power to write fire, automobile, plate glass, credit, sprinkler leakage, guarantee, bond, burglary, accident, sickness, explosion and tornado. In all probability the entire efforts of the company, for the present at least, will be centred upon fire business. In addition to Norman S. Jones, the other applicants are Senator B. C. Prowse, Charlottetown, P. E. I.; Norman Perkins, Harboro, England; J. A. Banfield, Winnipeg; and J. E. Macfarlane, Toronto.

London Life Makes New Appointment

From Our Own Correspondent

MONTREAL. — S. G. Modeland has been appointed secretary of Montreal Branches of The London Life Insurance Company, which maintains four offices in Montreal. Mr. Modeland comes to his new duties with experience gained in banking circles and as branch secretary for the company at Hamilton.

BIG MELON CUT AS HALIFAX FIRE RAISES CAPITAL

Stock Rights to "Home" Company $22.50 Per Share

From Our Own Correspondent

MONTREAL.—As a result of the Home Insurance company acquiring a controlling interest in its capital stock, some new financing is being done by the Halifax Fire Insurance Company. This will entail very valuable rights to shareholders. As part of the huge Home group the company has recently been licensed in New York State and has been making rapid progress under the Home hand.

At a meeting of the shareholders held this week in Halifax, the shareholders authorized that the capital stock be increased from $1,000,000 to $2,000,000. The new shares will have a par value of $10, but will be issued at a premium of $25 per share. Thus all present shareholders of Halifax Fire stock will receive "rights" to subscribe to one new share of stock on a share for share basis, at $35 per share. The rights are for shareholders on record as of June 15, and expire July 30. Under the terms of the issue the company will receive for its treasury an amount of $3,500,000 in new money which is to be used to expand the company's business.

Figuring the new stock on the basis of current market levels, the "rights" are worth approximately $22.50 per share. Recently the stock has been quoted at approximately $80 per share. Each share carries the right to one new share at $35 per share, which makes the rights per share approximately $22.50.

Three New Licenses Issued at Ottawa

The Superintendent of Insurance at Ottawa announces that the following licenses have been issued:

To the Southern Insurance Company Limited, authorizing it to transact in the province of British Columbia, the business of fire insurance. T. W. Greer, Vancouver, B. C., is the company's Canadian chief agent.

To the British Northwestern Fire Insurance Company for insurance against damage to property of any kind caused by the explosion of natural or other gas, in addition to the classes for which it is already licensed.

To Continental Casualty Company for burglary insurance, in addition to the classes for which it is already licensed.

J. K. Pickett Heads Life Agency Officers

Ninth annual meeting of the Canadian Association of Life Agency Officers was held at Niagara Falls recently. J. Tower Boyd, general manager of agencies of the Confederation Life Association, occupied the chair. Discussions took place on several subjects of special interest to all agency executives.

Officers for the ensuing year were elected as follows: Chairman, J. K. Pickett, Dominion Life, Waterloo; honorary secretary-treasurer, E. J. MacIver, Prudential Life, Newark, N.J.; secretary-treasurer, J. O. Gallow, Imperial Life, Toronto; executive committee, L. J. Robb, Excelsior Life, Toronto; J. W. Glenwright, Commercial Life, Edmonton; E. J. S. Brown, Crown Life, Toronto; R. M. Huestis, National Life, Toronto; F. W. Hobson, Imperial Life, Toronto.

new

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In the New 25 cent Package (Heavy Foil Wrapping)

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THE MONARCH LIFE
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The CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office - Winnipeg, Man.
E. F. HUTCHINGS, President.
HENRY SANDISON, 1st Vice-President and Managing Director.
J. S. McPHERSON, 2nd Vice-President.
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Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$94,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary; W. H. HUNTER, President; ALEX. STEWART, Treasurer

Mill Owners Mutual Fire Insurance Company OF IOWA
Surplus Assets $1,200,000 — 53 Years Old
Policyholders' Dividend Rate — 25% and 30%
SENECA JONES & SON, HAMILTON, ONT. — Canadian General Agents

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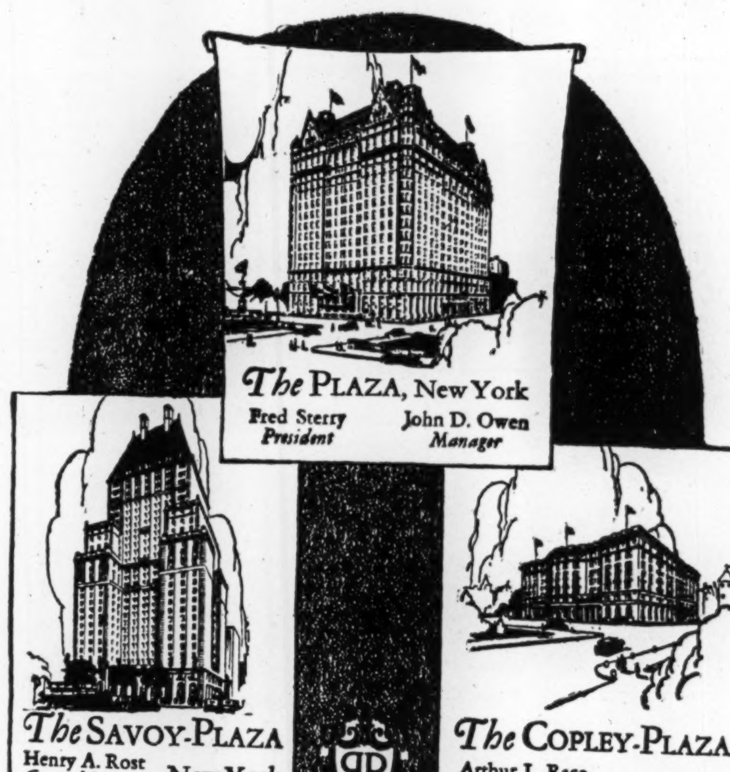

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CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

See Liquidation Finished in Canadian Mine Shares

McIntyre's Ore Reserves Stand at Higher Total

Can. Supremacy Seen by Investors in Copper Stocks

How Many Years Before Canada Will Lead?

U.S. NOW ON TOP

Will Newsprint Situation be Repeated in the Copper Industry?

From Our Own Correspondent

MONTREAL. — Canadian investment interest is turning copper-wise. Ever since the famous Trail smelter startled the world by its spectacular entry into the copper field, Canadians have been realizing that a copper mine is something more than a hole in the ground.

At the moment, investors are beginning to ask themselves the question, "How long will it be before Canada holds in the copper world, the place she now holds in the newsprint field?" The answer is still a bit in the future, but nevertheless there is writing on the wall for those who care to read the future with long-distance spectacles.

For instance, last week, one of the Montreal investment houses—Greenshields, Ltd.,—had this to say in their weekly bulletin:

"It is offered as a thought for consideration that, through low cost production of high grade copper ore by such companies as International Nickel and Noranda, Canada may be placed in a position to the United States similar to that now enjoyed in newsprint. The average high costs of producing units in the United States as opposed to Canada's easily accessible wealth of raw materials and power, true of the newsprint industry and apparently developing the same way in copper mining, suggests this comparison. If such a situation should develop the importance to Canadian trade and prosperity would be great."

Last year Canada produced between $17,000,000 and $18,000,000 worth of copper. In 1922, the value of copper production amounted to $5,700,000. The difference is even more striking when it is taken into consideration that the 1927 figure comprises production at somewhat lower prices than in the previous years. Production in terms of pounds, over the five year period is as follows:

Three Fake Sheets Put on Index

The first American tipster sheets to be put on the Index Expurgatorious of Postmaster General P. J. Veniot, are the Financialist's Debator, of Boston, the Financial Criterion, of Boston, and the Original Developers' Pool, of Fort Worth, Texas.

Canadian Copper Production

	Pounds
1922	42,879,818
1923	86,881,000
1924	104,457,000
1925	111,450,000
1926	132,345,000
1927	140,223,000

A Low Content

Copper, as the man in the street is coming to realize, is a substance that in these days is extracted from enormous ore bodies, which have only a fractional copper content. Thus the famous Utah mines in the United States which produced something like $3,000,000 worth of ore a month, have an average ore content of less than 1.5 per cent.

This is where Canada comes into the copper picture.

Processes have been found which allow us to exploit commercially millions of tons of low-grade copper ores, and which enable us to extract from them a higher average tonnage than the huge bodies that are at present supplying the main bulk of United States requirements. In addition the bodies are easily accessible and we have cheap power. "Smelters" and Granby have pushed British Columbia to the fore in Canadian production, the latter at its Allenby mine, having a copper content of 1.83 per cent. Now comes Noranda in the Rouyn field which breaks into production this year with a copper content that will probably average between 6 and 7 per cent. Its 1,000-ton smelter will soon be hammering away to deliver 3,000,000 lbs. of copper per month to the British Metals Corporation.

The Frood Amazes

And then there is International Nickel and Mond Nickel with their spectacular holdings in the Frood and Frood Extension. Millions of tons of ore-body, just barely tapped by the drills but which reveal fabulous quantities of invaluable copper content.

In between these two provinces, the great search for copper-wealth has picked up the wonderful Flin-Flon body with millions and millions

(Continued on page 28)

GULL-KIRKLAND MINES
Limited
(No Personal Liability)
Property situated in the
KIRKLAND LAKE CAMP
Diamond drilling has given important results.
Write for particulars and summary of engineers' reports.
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[*Thumbnail Sketches of Prominent B. C. Mines*]
TOPLEY-RICHFIELD
Mining Company Limited
(Capital $2,000,000; Par 50c—1,500,000 Shares Issued)
FOLLOWING the discovery of the Topley-Richfield property at Topley, B. C., in 1926, the Provincial Department of Mines reported that it was the outstanding mining discovery of the year. Exhaustive investigation by experts leads to the opinion that Topley-Richfield will become the centre of the third chief mining camp in British Columbia.
Immediate development work on the property resulted in sensational disclosures of gold and silver ore bodies. High-grade ore shows gold values of $16 a ton; silver, 360 ounces; and lead 23 per cent. Samples of average ore show gold and silver values ranging from $10 to $16 a ton, which is considered a good average of the lower-grade ore bodies.
A contract for 5000 feet of diamond drilling, to commence immediately, has been let to Stone & Knight, well-known drilling contractors of Spokane, at the low price of $3.75 a foot. The contract calls for 10 holes to be sunk a depth of 500 feet each. This work will prove the ore bodies and enable the company to decide upon the capacity of the mill to be erected.
We anticipate that Topley-Richfield shares will increase materially in value this year and an investment in this stock will result in big dividends when the property becomes an active producer.
ISSUES WE HAVE SPONSORED:
Pend Oreille
Whitewater
Cork Province
Lucky Jim
Ruth-Hope
Write for our Monthly Stock and Bond Report and our Free map of British Columbia Mines.
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McINTYRE EARNED $2.25 PER SHARE; RESERVES HIGHER

Bullion Recovery Shows Million Increase Over 1926

VALUES THE SAME

Ore Treated Ran $8.09 per Ton, Same as the Year Previous

McIntyre Porcupine Mines, Ltd., estimates its present ore reserves as at the end of its fiscal year, March 31, 1928, at $15,376,165, according to the annual report sent forward to shareholders.

The reserves show an increase of $1,245,945 over the previous year.

Bullion recovery during the year amounted to $3,987,634, as compared with $2,957,060 in the nine months' period ended March 31, 1927.

Ore treated during the year amounted to 520,460 tons of an average value of $8.09, as against $8.08 last year.

The net profit for the year amounted to $1,800,363, which compares with $1,377,122 for the preceding nine months, and $1,721,382 for the twelve previous months. The report issued in 1927 covered only nine months, owing to a change in the company's fiscal year, and the two reports are, therefore, not comparable. Ore reserves showed an increase over the previous year of $1,245,945, and for the year under review are valued at $15,376,165, which compares with $14,130,220 for the previous nine months.

Increase in Reserves

President J. P. Bickell, in his report to shareholders, points out that "Earnings during the year under review were at approximately the same rate as during the previous fiscal period, and after producing last year ore valued in excess of $4,000,000, it is satisfactory to note that our present estimate of ore reserves exceeds that of a year ago by $1,245,945, and to-day stands at $15,376,165."

"Upon the completion of the new shaft last fall," he states, "work was started having for its particular objective the exploration of that horizon lying south of the shaft and below the 2,875-foot level. Considerable progress has been made, but only two of these crosscuts have advanced sufficiently far to warrant comment at this time. On the 3,375-foot level we have advanced a distance of 108 feet in an ore that grades better than the mine average. On the 3,875-foot level we have crosscut the basic schist area, and although three veins were encountered in this zone, all were low grade where cut. We are now taking full advantage of our present facilities in opening up these lower horizons."

Costs Were Higher

Ore treated during the year amounted to 520,460 tons. The average value per ton was $8.09, as against an average of $8.08 during the previous period. Mining costs amounted to $2.8942 a ton, as compared with the former figure of $2.7882, and milling and other costs were up from $4.1480 to $4.2271. The gross value of the ore treated was $4,207,553, and the value of bullion recovered, $3,987,634.94. The bullion contained 191,661 fine ounces of gold and 44,978 fine ounces of silver.

"The results of development work during the year are considered satisfactory," says R. J. Ennis, general manager. "The production, both as to tonnage and grade of ore, has been maintained, and additions made to the ore in reserve. Development from No. 11 shaft had not advanced sufficiently far to contribute materially to this year's results, but will be a factor in next year's operations."

Ore broken in stopes totalled 430,817 tons and ore from development, 56,626 tons. Ore hoisted amounted to 521,456 tons and waste hoisted, 39,814 tons. Broken ore in stopes at the end of the fiscal year amounted to 294,461 tons of $7.75 grade, a decrease from the last report of 34,013 tons. Cut and fill timbered stope systems of mining are replacing the shrinkage method heretofore used exclusively, says Mr. Ennis. The factors in favor of the change are elimination of dilution of ore by waste rock and safer mining conditions.

Details of Reserves

Details of ore reserves showed 723,418 tons of $7.45 ore on the McIntyre claims; 172,429 tons of $9.95 ore on the McIntyre Extension claims; 556,589 tons of $9.40 ore on the Jupiter and 94,318 tons of $7.80 ore on the Plenaurum claims; giving a total of $13,098,619, to which was added broken ore amounting to $2,277,546.

Operating Costs Higher

Operating costs show an increase of 7.91c. over last year, due to the larger amount of development work performed. Mining costs are shown at $2.8942, as compared with $2.7882 a year ago, while milling costs per ton are shown at $0.7227, as against $0.7492 a year ago. Total costs per ton are shown at $4.2271 against $4.1480 for the previous nine months. Additions to plant, buildings, and equipment during the year totalled $311,709, compared with $519,775 for the previous nine-month period.

Development work performed during the year amounted to 26,537 feet. This work included 15,081 feet of drifting, of which 12,300 feet was driven in vein material, 50 per cent. showing ore of $8.30 grade over drift widths, and 2,700 feet on line for the purpose of making haulage connections with No. 11 shaft.

Cut Veins at Depth

Stopes on the No. 9 vein produced 64,299 tons of ore, averaging $10.10 per ton. The No. 10 vein showed continued improvement with developments at depth toward the east. On the 2,874 level, south and east of No. 11 shaft, one section of ore has been developed 408 feet long, 10 feet wide of an average value of $13.30 a ton.

Crosscuts on the 2,375 and 3,375-foot levels intersected No. 13 vein 520 feet south of No. 11 shaft. On the 2,375 levels, 210 feet of drifting shows ore 7.5 feet wide assaying $23.80 per ton. On the 3,375 level, 108 feet of drifting was in ore 7.5 feet wide of $13.10 grade. South of No. 10 vein in the western section of the property No. 16 vein was located by diamond-drilling. Crosscuts on the 2,000 and 2,125-foot levels intersected the ore, and 526 feet of drifting shows 304 feet of ore, 10 feet wide, assaying $33.80 per ton. This vein is producing some very high-grade ore, but values are erratic.

Crosscuts at Depth

To explore the favorable basic schist south of the No. 11 shaft a crosscut was started on each of the eight levels below the 2,875, and to date only two have been advanced into this zone. On the 3,375 level at 520 feet from the shaft. No. 13 vein was cut, assaying $9.80 over 8 feet, and this vein has since been opened up 108 feet in $13.10 ore over 7.5 feet. On the 3,875 the crosscut passed out of the porphyry into the basic schist at 540 feet, and has continued in this formation for 360 feet, cutting three low-grade veins.

Geological conditions are highly favorable, and it is expected favorable ore shoots will be opened up when the veins are developed, although values so far are low.

Profit and Loss

The profit and loss statement shows bullion recovery of $3,987,634, which compares with $2,957,060 for the previous nine months. Mining and milling costs amounted to $2,011,000, and administrative and general expenses to $189,021, making a total operating cost before taxes and depreciation of $2,200,022. Operating profits amounted to $1,787,612, and non-operating revenue to $91,785, making a total income of $1,879,398. When the sum of $79,034 is deducted from this, as provision for taxes, net profits of $1,800,363 remain. The surplus as at March 31, 1928, stood at $3,563,555. Four dividends were paid during the year, which accounted for $798,000.

A good liquid position is again shown by the balance sheet, current assets amounting to $2,320,904, while current liabilities are $272,846. For the previous nine months current assets stood at $2,031,899 and current liabilities at $291,322. Reserves are increased to $3,171,256, as compared with $3,025,638 last year.

Toronto Group in Pool on Nevada Copper Issue

Recently Jumped Stock from $9 to $14 per Share — Company Operates on Large Porphyry Copper Body on Both Sides of Nevada Cons.

A large Toronto group figures prominently in a pool recently started on Consolidated Coppermines Corp., an operation located on both sides of Nevada Consolidated, both large copper producers.

"Down in New York they think the Canucks are going crazy again," said one interested in the issue, when discussing the pool operations, and New York has handed the stock out freely until the last week or so, until the bulk of the 150,000 shares which have been on option were fairly well cleaned up. Then the stock moved from $9 to $14 per share.

Consolidated Copper and Nevada are working large porphyry copper bodies. Nevada Consolidated is using open cut, and has a working agreement to take out the Consolidated Copper bodies adjacent and that can be taken out by the same open cut.

On the other hand Consolidated Copper mines will test out certain portions of Nevada's ground by lateral development. Nevada Consolidated treats the ore from both operations.

Consolidated Copper is an amalgamation of a number of properties that tried for years to make it go and couldn't. Finally they were amalgamated and made a real start in 1926, when they were able to negotiate an agreement with Nevada Consolidated. However, it is only this year that they got producing in a large way, and four months' figures are interesting. Jan., 1,325,000 lbs. copper; Feb., 1,687,000; March, 2,960,000 and April 4,100,000 lbs. It is expected that the balance of the year will see an average of around 5,000,000 lbs. monthly maintained.

Ore reserves are estimated at 10,000,000 tons developed and 15,000,000 partially developed. Costs are around 8 cents per lb. as the company has no depreciation charges, as it has to maintain only a small mining plant.

Until recently the company has had no systematic exploration program, but has now launched one, and will develop other bodies known to exist on their holdings, one in particular running 30 per cent. copper. The porphyry bodies are low grade, running about 1.59 per cent. copper, with some gold and silver, but there are numerous sulphide and oxide bodies that run 3 per cent. and 7 per cent., respectively. Besides there are zones of secondary enrichment. The 1927 production showed an average of 1.65 per cent. copper and fair precious metal values.

May Organize Subsidiary on Nutt Property

Reports from The Pas are to the effect that the mineralized zone on the Nutt property, at Herb Lake, optioned to Manitoba Basin mines, has been trenched for a width of 200-ft. The company's holdings have a length of five miles on the strike of this sheer zone. The pay streak is estimated to be around 30 and 40 feet and carries copper-zinc and precious metal values.

Large mining interests, who sought this property, are now seeking participation with Manitoba Basin and indications are that a subsidiary will be organized and these interests allowed to participate.

Shaft at Cambro Nears Objective

Work of shaft-sinking on the Cambro-Kirkland property in the east end of the Kirkland Lake Camp is progressing rapidly, and the shaft which is being sunk by electric power is going down at the rate of six feet a day. At the present rate of progress, it is anticipated that the 200-foot objective will have been reached by the first of the coming month.

Because of the favorable surface showings and its geological position, Cambro followers are looking forward with interest to the time when lateral work will be started underground, and the possibilities of the mine fully explored.

Columario to Undertake Development Programme

It is reported that Columario Gold Mines, Limited, Fred J. Hickey, president, has completed arrangements for carrying on an active programme of development. The Columario property is located about 3 miles from Usk, B.C., and a complete mining plant, including a 10 x 8 portable gasoline-driven air compressor and rock drilling equipment, has already been delivered to the property. The plant is being placed in operation immediately and will speed up the preliminary driving of an adit and subsequent development.

CAPITOL SILVER WILL CONSERVE LIQUID POSITION

Will Await Development of Adjoining Properties — Locates Barren Vein

A number of calcite veins were encountered on Capitol Silver's lots H.S. 365 and 352, but all proved barren and the possibilities of that particular area seem to have been fairly well elimniated, states J. P. Bickell, president of the company, in submitting the annual report to shareholders.

Mr. Bickell states the veins were encountered in development work which the Castle-Trethewey mines undertook to do on the company's property from its own 475 foot level.

The area in question, he says, is small compared with the company's total area. The company's financial position is being conserved and as the company's knowledge of surrounding properties is increased, it is hoped that before long it will be in a position to determine some definite plan of development.

The Balance Sheet

The company's balance sheet shows current assets of $209,903, of which $11,072 is cash in banks, $144,750 Dominion of Canada Bonds, (par value $150,000), $50,062 Canadian National Railway Bonds, par value $50,000. Accounts and interest receivable $1,891. Supplies on hand at cost $2,127.

Investments—Mining Claim T. C. 458, option payments, etc. to date, $41,242.

Fixed Assets—		
Mining Properties, including discount on shares sold	$3,067,250	
Buildings, machinery and equipment	34,008	
	$3,101,258	
Deferred Charges—		
Insurance Unexpired	79.10	
Developments undistributed as at March 31, 1927	$ 166,822	
Add:		
Net development expenditures this fiscal year	9,922	
	$ 176,824	
	$3,529,228	
Liabilities		
Current Liabilities—		
Accounts Payable	$ 4,076	
Taxes and Fees	146	
	$ 4,223	
Capital Liabilities—		
Capital Stock, authorized 4,000,000 shares at $1 par value each	$4,000,000	
Capital Stock, issued and fully paid and outstanding 3,525,005 shares at $1	3,525,005	
	$3,529,228	

Blue Diamond Coal Operates at a Loss

An operating loss of $88,891 is reported by Blue Diamond Coal Company for the year ended March 31 last. Coal sales during the period were $444,605, and the cost to produce and ship amounted to $533,499. Miscellaneous earnings totalled $36,872, leaving a net loss for the year of $52,021, as compared with a net loss during the preceding nine months of $16,729.

Current assets amounted to $135,123, against $155,188 a year before. Fixed assets were approximately unchanged at $2,063,584, but deferred assets were up from $279,450 to $302,100. The deficit account was shown at $303,341.

Current liabilities totalled $397,969, as compared with $351,930 in 1927. Advances from holding companies amounted to $830,000, capital stock issued to $1,500,000, and reserves, $76,179.

Major Discovery on Treasure Trove

A major discovery of copper-gold-zinc on the Trill claims of the Treasure Trove company in the Sudbury district is reported by R. W. Norrington, of the Norrington Development Company, Montreal, who has just completed an examination of the Treasure Trove claims. The Parkin claims of the company, Mr. Norrington indicates, are also promising. Ten men have been started working on the Trill claims and ten men on the Parkin claims.

Dubec Diamond Drilling

Two holes and 600 feet of footage have been completed under the 2,000-ft. diamond drilling contract let by Dubec Mines. Nothing of commercial importance has been located to date, but drilling is still in progress.

MINING MARKET LIQUIDATION NOW ABOUT FINISHED

Nearly All Issues Pretty Well Sold Out, Say Brokers

NO SUMMER BOOM

Best Opinion is That Little Activity is Expected Until August at Least

The two outstanding opinions on the mining market seem to be:

1. That the market is pretty well sold out.

2. That not much change is to be expected until on in August.

A great many are disappointed because the mining issues continue soft. There are spurts now and then, but with few exceptions, gains are quickly lost.

Students of the market say that these advances are indicative of what is to be expected when large buying orders come into the market. They feel that the liquidation of the majority of the mining issues has been completed. The market now awaits buying orders and the feeling is that these are not to be expected until after the holiday season.

Summer Market Talk

There has been some talk of a summer market. The majority seem to be against such. They said that it would be the old story over again, of a short advance and then a break. The basis of this view is that facing the holiday season, there would be just as many willing to go short on every five point rise as there would be buyers and the latter, facing difficult financing, because of the present attitude of the banks, would soon succumb.

On the other hand, the market gives ample evidence of a steady accumulation. This means that while the majority are going the rounds waiting for the market to show some signs of life and bemoaning the that it continues so dead, the successful speculators are now accumulating the stock that they will sell to the general public when the market starts upward.

Much Good News

To many the exasperating thing is that while there is a flood of good news and reports coming out from the mines, the market fails in any way to reflect this news. On the other hand, there are issues, Sherritt-Gordon is an example, where good news has resulted in a definite downward trend. This operation, according to latest reports, is coming along in a most spectacular manner and yet the stock continues to ease. It is said that diamond drill holes have proven the ore to extend to a depth of 900 ft. and the estimate is that the ore runs $206,000 per cubic foot of depth.

Sudbury Basin is another operation that has been the subject of many favorable rumors and yet during the past week the shares tumbled to below $9. It is said, that the company, in diamond drilling at Sudbury, has proven a substantial length of new ore while the Cheney property is developing well. There are some who believe that new financing will be done on the Cheney.

These are only a couple of instances. One could go through the list and pick out innumerable operations that were in the same boat.

In discussing the market one broker voiced the opinion that the flood of cheap issues was hurting the Canadian market. He said that U. S. buying was only in the good issues and that Canadians were being asked too much when so many new, small issues were thrust at them. He believed that there were a good dozen stocks on the Standard Board that should be removed and a half dozen good ones, that are not on the list, could replace them. He believed that such action on the part of the exchange would be a real confidence builder.

ARNO COMPLETES DRILLING 2,600 FT.

Conductor No. 1 Carries Low Grade Copper, Zinc — Start Drilling No. 2

Arno Mines has completed the drilling of the first of three major conductors located on its property by a radiore survey. A total of eight holes were put down on this conductor which proved to be 2,600 feet long and 25 feet wide. It was found to carry low grade copper and zinc.

Drilling of the second conductor, 1,000 feet to the south, is now under way. Two diamond drills are being used. Drilling of the third conductor will be undertaken on completion of the second. Arno is reported to have the biggest deposits of sulphides in the new Quebec mining areas.

In addition to a crew of ten men operating the drills, 12 more are engaged in clearing, and prospecting.

Weighted Index Shows Mines Upward Trend

The weighted index numbers of 17 mining stocks computed by the Dominion bureau of statistics on the base of 1926-100 was 120.7 for the week ending May 24, as compared with 117.6 for the week ending May 17.

Gold copper stocks represented by Noranda and Amulet rose from 129.0 to 143.5. Eleven gold stocks rose from 116.7 to 117.6. Four silver and miscellaneous stocks rose from 94.9 to 95.9.

Among the gold stocks the average weekly prices behaved as follows: Lake Shore rose from 23.21 to 23.82 and Teck-Hughes from 9.73 to 10.27. Coniaurum fell from 4.84 to 4.80, Dome from 9.46 to 9.24, Hollinger from 15.90 to 15.61 and McIntyre from 26.72 to 26.64.

Average prices were higher for both of the gold-copper stocks. Noranda rose from 21.71 to 24.26 and Amulet from 3.28 to 3.58.

In the silver and miscellaneous group the average price of Nipissing rose from 4.31 to 4.36 and Mining Corporation from 3.37 to 3.46. Coniagas fell from 5.03 to 5.01.

Creighton Fairbanks Finds Ore at Depth

Creighton Fairbanks which is diamond drilling the McPherson property, west of Yukon Treadwell mine, in Sudbury Basin, has cut a large mineralized zone, the possibilities and values of which have not as yet been ascertained. The drill entered the zone at 1004-ft., and on the last report was still in it at 1134-ft.

The hole was started at a point about 200-ft west of the Treadwell west boundary and on the north bank of Vermillion river. It was felt that this section afforded the best chance of picking up the extension west of the Treadwell ore. The company has two other drills at work in the same area on the north bank of the river.

COAST NOW ADDS OILFIELDS TO ITS WEALTH

Amalgamated Oil Co. Brings in Well in Sage Creek Area

STRIKES OIL 1,100 FT.

Company Will Explore 11,000 Acre Tract in Flathead Valley

British Columbia has entered the oil producing field and reports from the Sage Creek area in the southeast corner of the province, immediately west of the Alberta boundary, are that a well being drilled there has struck oil at a depth of 1,100 feet and a fairly heavy production of gas has been obtained from the same hole. The oil production at the present time is from five to six barrels a day. The product is said to be high-grade light crude oil.

The well was put down by the Amalgamated Oil Co. of Vancouver, and it is the company's intention to continue drilling to a depth of 2,000 feet. Operations have been temporarily suspended awaiting the arrival of casings. Meantime, the oil from the well is being used for the tractors engaged in hauling supplies to the scene of operations.

Owns Large Tracts

The lands in which the oil has been struck are part of the areas owned by the Amalgamated Oil Co. The company holds large tracts in the New Valley oil fields, adjoining the Turner Valley in Alberta, and in the Flathead Valley in southeastern British Columbia.

Eighty acres of the British Columbia holdings was deeded to the B.C. Oil & Coal Development Co. Ltd., of Victoria, in consideration of a certain number of wells being drilled this summer. Work has been progressing satisfactorily and the reported flow is the first result of the operations that have been started.

Amalgamated Oil Co. owns and controls a total of over 11,000 acres in the Flathead Valley. The company was incorporated in British Columbia a short time ago with head offices in the Standard Bank Building. It is capitalized at $3,000,000, with shares of $1.00 value. A little more than 1,500,000 of the shares have been issued in payment for properties or assets other than cash, while the company has sold to date over 300,000 shares for cash, balance of the capital shares being still in the treasury.

The directors are Lieut.-Col. G. H. Kirkpatrick, Dr. J. E. Spankie, Mr. Robert Bone, Lieut.-Col. H. S. Tobin, R. H. Tupper, and James B. Noble, secretary.

In addition to the operations being carried on in the British Columbia area by the Victoria drilling company, operations are also under way in the Alberta oil regions where the Glacier Oil Co. is under contracts to sink three wells. The Glacier company has recently been strengthened by the inclusion of California men who have given it additional financial backing, and the directors of the Amalgamated report that prospects are good there for production in the near future.

NATIONAL P. & D. SUDDENLY DROPPED FROM MINING MART

Controversial Stock Disappears When "Props" Removed

FROM $16 TO $1

Tipster Sheet Special Has Always Been Trial to Montreal Brokers

From Our Own Correspondent

MONTREAL.—The stock of National Power and Development Company has been removed from trading on the Montreal Mining Exchange. No reason has been given for this action, the exchange directors merely having decided to take the stock off the board.

The last sale made in the stock was at $1 per share. This price, includes the 100 per cent. stock bonus which was declared a short time ago by the directors of the company. Therefore as the stock was to have gone ex-bonus in June, the $1 per share represents about 50 cents per single share. This compares with a price of $16 per share which the stock was selling at not many weeks ago.

No information is available as to the company's operations.

The Financial Post has never been favorably disposed toward this issue. The atmosphere surrounding it seemed quite unfavorable.

The stock was touted throughout the United States, by a New York "tipster" sheet called "The Trend of the Market." It has been the subject of several bulletins, issued by the Better Business Bureau of Montreal, which was merely stating the facts about the company's organization.

Montreal mining brokers have never given evidence of any enthusiasm about the stock, since it was listed on the Exchange.

Now that the "props" have been removed, the Exchange directors have taken the matter into their own hands and have evidently decided there was justification for removing the stock from trading, so that last week it just disappeared, after touching the low price of $1 per share. At the present time it is understood that brokers are offering the stock at this figure but are finding no buyers.

Diabase Dyke on Abbey Cut by Diamond Drills

Diamond drills operating on the property of Abbey Mines, located north of the Abana Mines in Desmeloizes Township, Quebec, have struck a diabase dyke. This is believed to be the continuation of the dyke on the Abana. When this has been definitely located it is proposed to prospect along it as was done on the Abana property. Two drills are working on the Abbey property.

New Map
of
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ABANA DISCOVERY DOUBLES MINE'S FORMER RESERVE

High-grade Copper and Massive Zinc Sulphide Run $25 Per Ton

Discovery of a new ore body 33 feet wide on the property of Abana Mines, in Desmeloizes Township, Quebec, was officially announced at a recent meeting of the directors held in Montreal.

The new ore body is located 33 feet east of the diabase dyke, and it is stated will practically double the Abana ore reserves. At the same time, the new discovery indicates the possibility of the presence of other ore bodies paralleling those just discovered.

A statement issued by the directors following the meeting sets out that the new ore body is in one deposit and consists of 22 feet of high grade mixed copper and zinc sulphides, while 11 feet on the north side is composed of massive clean zinc sulphide.

The new ore body, it is believed, will have an approximate length of 450 feet and an average width of 25 feet, with a probable gross value of about $25 to the ton.

The directors' statement adds that all the machinery and equipment for the new power house, mining plant and concentrator were successfully taken into the property before the spring break-up and that the construction programme is now in full swing. At the present time work is being confined to the erection of the power house, new bunkhouse, cookery and machine shop.

It was decided at the meeting to call a special meeting of the shareholders for the purpose of obtaining sanction of the directors' resolution which calls for increasing the number of directors on the board from five to nine. No definite date was set for the shareholders meeting.

MINING BECOMES MAIN INDUSTRY ON WEST COAST

Vancouver Market Authority Visited Various B.C. Operations

Mining is rapidly becoming the main industry of British Columbia, according to an interview given by G. P. Davidson, Miller Court Co., Vancouver, after a tour of the mines of the province. He says that:

"If anyone has the idea that the marked activity in mining shares during the past six months is a flash in the pan, it is only necessary to make a trip through the province to be forever disabused on that score."

"The scope and stability of the industry are the outstanding impressions gathered, and an inspection of some of the producing districts discloses what the industry must become within a very few years."

Mr. Davidson visited Nelson, Kaslo, Sandon and Kimberley, and commented upon the calibre of the operators behind the big companies. Engineers of proven ability and financial men of standing are to be found guiding the affairs of practically every company. There is an air not only of optimism, but one of genuine prosperity. The merchants are carrying large stocks of goods.

"The man who daily watches market fluctuations sometimes loses sight of the legitimate development going on behind the scenes," says Mr. Davidson, "and this development alone spells success. The mining men are far more interested in production figures than in market prices, and they are the ones who are placing British Columbia's mining industry fairly upon the map. Without doubt, big things are going on."

Long Life For Whitewater

A visit to the famous Whitewater mine showed the plant to be running at capacity on a three-shift basis, or 24-hour production. The new Whitewater mill is turning out a carload of concentrates every day and the company is considering extending the mill, although it is a new plant and the last word in efficiency. Whitewater ore reserves, says Mr. Davidson, would keep the present plant running at capacity for thirty years.

The Lucky Jim mill was found to be crushing over 200 tons of ore daily, a mark which will be stepped up to 300 tons as rapidly as the new mill will stand the pressure. The Ruth-Hope mill, although a small one, is handling over sixty tons of high-grade ore a day and is earning $1000 every twenty-four hours.

Mr. Davidson states that between twenty-five and thirty men are working on the Noble Five, near Sandon. The mill will be ready for concentration work by midsummer. At Cork-Province it was found that the new dam has been completed and the $60,000 hydro-electric plant will be providing power by the time the mill conversion has been completed this summer.

"We are apt to lose sight of the most important factor of all, production," commented Mr. Davidson. "The appeal of mounting prices is greatly enhanced, though, when one realizes that higher prices can only be warranted by production returns and that prices are fully justified from a dividend point of view."

WOODBINE REPORT GIVES COMPANY'S FISCAL POSITION

Mention Also Made of Development Work in Alaska and Woodbine

A bulletin setting out the financial position of the Woodbine Gold Mining Co., and the progress being made in the development of its various properties, has recently been issued by the company. The bulletin has been issued, it is stated, in order that the general public may be authoritatively advised relative to its finances.

In setting out its financial position the company states it has 1,330,000 shares in its treasury owned outright, free from any encumbrance. Cash in bank and Dominion of Canada bonds, which are immediately convertible into cash, amount to $129,000.

There are no bills, notes, or any form of liability whatever, due and unpaid. On the recent sale in England of 500,000 Woodbine treasury shares there remains an unpaid balance of $45,000, which sum will shortly be paid in cash. The 500,000 shares are not part of the 1,330,000 shares mentioned above.

A further 250,000 shares are under option to English interests. If this option is exercised, the Woodbine treasury will be enriched by almost $125,000 in cash.

In the event the 250,000 shares are purchased, there will still remain in the Woodbine treasury, 1,080,000 shares, which can be sold by the company to meet any requirements that may arise.

Holds Stock in Escrow

The Woodbine Company holds in escrow until December, 1929, 800,000 shares belonging to the Premier Extension Gold Mining Company, Ltd., and the Alaska Canadian Consolidated Gold Mines, Ltd. These 800,000 shares are in no way part of the 1,330,000 shares mentioned above.

There have been issued and are outstanding, 2,870,000 Woodbine Gold Mining Company, Ltd., shares.

The bulletin sets out a telegram sent to the company by F. J. Crossland, the company's consulting engineer from Hyder, Alaska in which he states a strong body of sulphides ore was cut in Cross-cut 208. At that time the ore shoot had been opened up for a length of 33 feet, still in the tunnel face, and appeared high grade in places. Crossland advised employing an assayer without delay.

Plans Mill Erection

A letter from Malcolm McKenzie, superintendent of Woodbine, imparts the information that the main drift is forging ahead in the same general south-westerly direction and still appears to be drifting on the formation. This formation is a massive porphyry.

No. 208 Cross-cut continues to disclose magnificent looking ore. At 137 feet from the commencement (after passing through a zone of crushed quartz porphyry), another ore body was encountered, and appears to be high grade. 19 feet of this ore has been passed through and the end is not yet.

Plans for the erection of the mill on the Woodbine Mine are being made. It is expected that the mill will be completed and in operation during 1928.

It is estimated by the mine superintendent that there is now in sight, including the ore blocked out, approximately 908,420 tons. This at $10 per ton equals $9,084,200. This is said to be a conservative valuation for the tonnage, as the average assay is considerably higher.

Drilling of Hecla About Completed

It is reported that some 1,500 feet of diamond drilling on the Hecla Copper Company's property at Rouyn has been carried out, and the amount of footage called for by the diamond drilling contract, has been about completed. Results obtained to date have not been as encouraging as had been hoped for.

Destor Mines Sink 3rd Hole

Destor Mines is now engaged in sinking the third diamond drill on its property. The hole flattened at 200 feet and was carried 1,000 feet laterally. No values have been obtained to date.

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MANDY MINES AND CALLINAN F. FLON REPORT PROGRESS

Shaft Sinking Proceeding Rapidly; Cranberry Portage Scene of Strike

Rapid progress is being made in the development work being carried out at the Mandy Mine and the Callinan Flin Flon property at Sourdough Bay, Manitoba, according to reports received from The Pas. The Mandy shaft is now down 300 feet and stations will be cut at the hundred foot level and at intervals of one hundred feet thereafter. Shaft sinking at the Baker Paton group of Callinan Flin Flon has reached a depth of 150 ft. Both of these shafts are double compartment and are being put down by crews of experienced shaft-sinkers brought especially for the purpose from Ontario.

The Thompson family residing at Cranberry Portage are reported to have made an important strike there. It is said to be of high-grade chalcopyrite carrying good values in gold. Surface indications are said to have suggested a large size ore body.

Work has been commenced on the Cameron group on the east side of Athapapaskow Lake and on the adjoining Dixon property at Cranberry Portage. The erection of camp buildings is under way and preparation is being made for diamond drilling.

Capitol Rouyn Completes 4th Hole

Capitol Rouyn has completed its fourth diamond drill hole. Some gold values were obtained, which although of no commercial value, were encouraging.

MINING STOCK QUOTATIONS
Week Ending May 29

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close May 29	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1	....	....	3.10	2.87	2.90	79890	4.90	.20	3.95	1.75
Aconda	1	....	....	.22½	.19	.19	44625	.45	.14½	.47	.18
Afton	1	....	....	1.81	1.73	1.81	29500	1.36	1.00	1.81	1.25
Algonquin	1	....	....	.02	.01½	.01⅛	13500	.05¼	.02	.03	.01¼
Amity C.	1	....	....	.42½	.39	.39	38650	.50	.24½	.44	.24
Amulet	1	....	....	3.60	3.29	3.34	55253	7.10	.85	5.20	3.00
Apex	1	....	....	.06	.03¾	.06	23300	.10	.01	.09	.03
Area	1	....	....	.27	.24	.25¼	28000	1.93	.23	.32	.14
Argo. Con.	1	....	....	.10	.09	.09½	162492	.59	.25	.34	.05
Arno	1	....	....	.22	.17¼	.21	41850	....	....	.37	.15½
Atlas	1	....	....	.02¼	.02	.02¼	9300	.07	.02	.04¼	.02
Ankerite	1	....	....	.43	.30	.43	20200	1.25	1.15	1.23	.25
Albain M.	1	....	....	....	....	....	....	....	....	.50½	.20
Bayview	25c.	....	....	.09	.08	.08	82000	....	....	.12	.08
Bagamac	1	....	....	....	....	....	....	.19	.06	.09	.05
Baldwin	1	....	....	.02½	.02	.02½	41700	.05½	.01	.03½	.02
Barry Holl.	1	....	....	.94	.80	.82	171360	1.50	.25	1.50	.73
Bathurst	None	....	....	.29	.23	.25	77950	....	....	.35	.21
Beaver	1	....	....	1.44	1.34	1.36	23400	2.75	.59½	2.25	1.31
Bedford	1	....	....	.37	.32	.32	20900	.52	.19	.54	.32
Bellellen L.	1	....	....	....	....	....	....	.23½	.03	.03½	.02
Bidgood	1	....	....	.97½	.85	.87	233040	1.83	.05	1.60	.61
Big Horn	.	....	....	.31	.30	.30	6250	....	....	.44	.30
Boischatel	None	....	....	.03¾	.03	.03½	37500	.27	.03	.05	.01¼
Big Missouri	1	....	....	.74½	.61	.64	99900	....	....	.90	.50
B. C. Devel.	.	....	....	....	....	....	....	1.32	1.12	2.00	1.32
Buckingham	1	....	....	.06⅜	.06⅜	.06⅜	12150	.09½	.03	.08⅜	.04½
Bunker Hill	None	....	....	....	....	....	....	....	....	.35	.35
Bower M.	1	....	....	.75	.75	.75	500	....	....	1.22	.75
Cambro	1	....	....	.48	.45	.45	5500	.58	.55	.55	.29
Can. Lorraine	1	....	....	.21	.15	.17	17500	.12	.10	.21	.10
Capitol S.	1	....	....	.18	.16	.18	12100	.34	.14	.18½	.12
Capitol R.	1	....	....	.14½	.13½	.13½	66700	.54½	.10	.18	.12
Castle Tre.	1	....	....	.75	.67½	.67½	64950	1.27	.61	.81½	.55
Cen. Man.	1	....	....	1.43	1.27	1.28	31875	2.30	1.07	1.95	1.25
Chaput H.	1	....	....	.11½	.10¼	.10½	21700	.20	.04⅜	.18	.08⅜
Clericy	None	....	....	.20	.16½	.17½	9350	.31½	.31	.36	.15
Clifton	1	....	....	.01½	.01½	.01½	12350	.03½	.00½	.02	.01
Coast Copper	5	....	....	32.50	30.00	32.00	1680	43.25	9.75	60.00	30.00
Col. Kirk.	1	....	....	.03½	.03	.03	61000	.16	.01½	.09½	.02½
Coniagas	5	....	....	5.01	5.00	5.00	575	5.05-	3.20	5.50	4.65
Coniaurum	5	....	....	4.98	4.75	4.86	795	5.78	2.80	5.50	4.10
Cons. Smelter	25	40+10	4.68	271	265	267	1386	274½	215	289½	251
Copper Hill	1	....	....	....	....	....	....	.68	.36	.46	.44
Corona	1	....	....	.08½	.07	.08¼	43130	.37	.10	.16	.07
Crown Res.	1	....	....	.55	.45	.52	48693	.80	.39	.70	.39
Cork Prov.	25c.	....	....	.36	.32½	.32½	....	....	....	.47	.31
Cons. Copper	.	....	....	.13½	.12¼	.12⅜	300	....	....	.14½	.10
Cartier Mal.	.	....	....	....	....	....	....	....	....	.30	.29
Dunwell	1	....	....	.30	.29	.29	....	....	....	.35	.29
Davidson	1	....	....	....	....	....	....	.03	.01	.03	.03
Destor	1	....	....	....	....	....	....	.43	.20	.28	.20
Dome Mines	None	$1	10.81	9.50	9.10	9.25	2985	14.60	6.85	13.35	9.00
Dom. Kirk.	1	....	....	.02	.01½	.01¼	22500	.12½	.01½	.06½	.01½
Don. Rouyn	1	....	....	.17	.16	.16½	10710	.56½	.17½	.22	.10
Dubec	1	....	....	....	....	....	....	1.48	.35	.72	.40
Duprat	1	....	....	.07	.06⅜	.07	26125	.21	.19¾	.12½	.06
Dunkin	1	....	....	.40	.37	.39	37900	....	....	.55	.30
Dupuy	1	....	....	....	....	....	....	.79½	.09	.10¼	.10
Everett	1	....	....	.02½	.02½	.02½	11200	.05¼	.01¼	.03	.01½
Federal Kirk.	1	....	....	.71	.60	.69	58320	.78	.40	.77	.60
Fiske	1	....	....	....	....	....	....	.30½	.05	.10	.03
Golconda	1	....	....	.80	.72	.75	2500	....	....	.95	.72
Goldale	1	....	....	.32	.30½	.30½	8000	.57½	.20	.44	.28
Gold Hill	1	....	....	.13	.11	.11¼	137237	.54	.22	.38½	.10
Gold Reef	1	....	....	....	....	....	....	.02½	.01½	.02	.01
Goodfish	1	....	....	.61	.49	.51	77520	....	....	.78	.41½
Granada R.	1	....	....	.28	.24½	.25	100650	.41	.14½	.35½	.20
Grover Daley	1	....	....	.11½	.9¼	.9¼	30616	.37	.08	.15	.07
Graham Bois	.	....	....	.38	.36	.36	500	....	....	.40	.30
Grandview	50c.	....	....	.55	.50	.50	16000	....	....	.87	.46½
Harker	1	....	....	....	....	....	....	....	....	.43	.41
Harvie Exp.	None	....	....	.20	.20	.20	850	2.40	.50	.85	.20
Hecla	1	....	....	1.25	1.25	1.25	100	....	....	1.30	.95
Hillcrest, c.	100	6	9.23	....	....	....	....	65.00	50.00	65.00	65.00
Hillcrest, p.	100	7	7.77	90.00	90.00	90.00	55	90.00	81.50	90.00	85.00
Hilltop	1	....	....	.13	.10	.10	29500	.25	.06½	.23½	.10
Hollinger	5	26	8.66	15.60	14.95	15.00	11786	22.65	16.40	18.10	14.95
Howey Gold	1	....	....	.98½	.86	.89	84450	1.78	.42	1.91	.84
Hudson	None	....	....	18.75	17.75	18.00	5925	....	....	23.25	16.40
Indian	1	....	....	.06½	.06½	.06½	1000	.12	.04	.15	.04½
Int. Nickel	25	$2	2.12	99.50	87.00	94.00	106863	90.25	38.00	100.00	73.75
Jackson M.	1	....	....	.84	.73	.75	70610	.86	.36	.88	.65
Keeley	1	8	10.90	.80	.70	.74	31150	1.66	.69	.85	.50
Keora M.	1	....	....	.03¼	.01	.01	12150	.13½	.02	.05	.01
Kirk. Hunt.	1	....	....	.17½	.14	.15½	40600	.35½	.10	.26	.14
Kirk. Lake	1	....	....	1.90	1.77	1.85	66444	3.06	.82	2.75	1.50
Koot. Flor.	20c.	....	....	.32	.29	.30	134950	.31	.22	.47	.26
Kirk. Prem.	1	....	....	.25	.24	.25	2000	....	....	.40	.24
La Rose	1	....	....	.06	.05⅜	.05⅜	3900	.12	.03	.07	.03
Lake Shore	1	40+10	....	24.10	22.80	22.85	10190	28.20	15.40	27.70	21.15
Lebel Ore	1	....	....	.37	.32	.33	8800	.66	.30	.59	.26
Laval	1	....	....	.21	.19	.20½	79700	.59	.19½	.28	.15
Lorrain C.	1	....	....	.02	.01½	.01½	2200	.03¼	.01	.03	.00½
Lorrain T. L.	1	....	....	.70	.60	.70	13700	.86	.52	.70	.30
Lucky Jim	10c.	....	....	.35	.33	.33	....	....	....	.44	.33
McLeod R.	.	....	....	....	....	....	....	....	....	.35½	.34½
Mandy	.	....	....	2.75	2.60	2.60	31735	....	....	3.50	2.60
Macassa	1	....	....	.41	.35½	.37	23000	.69	.18	.55½	.33
Malartic	1	....	....	1.49	1.35	1.45	300142	.78	.23½	1.50	.70
Marriott	1	....	....	.20	.17	.17	3800	.45	.35	.46	.16
McDougall	1	....	....	.40	.36	.37	24800	.90	.24	.74¼	.35
McKinley	1	....	....	.18½	.17½	.18½	19950	.25½	.11	.20	.16
McIntyre	5	20	3.71	27.20	26.40	26.95	5013	29.00	24.00	29.00	25.25
Mentor	10	....	....	....	....	....	....	.14	.12	.13	.12½
Millcrest	1	....	....	.08	.06	.06	11200	.15	.02	.12	.05
Mining Corp.	5	12½c.	....	3.60	3.33	3.35	11992	5.05	2.90	5.50	3.20
Moneta	1	....	....	.07½	.07½	.07½	1100	.15½	.08¼	.12	.07½
Montreal R.	1	....	....	.05	.05	.05	1000	.35	.10	.16	.05
Mint Ore	1	....	....	.40	.38	.38¼	35850	....	....	.44	.25
Mond Nickel	1	....	....	43.00	43.00	43.00	25	....	....	46.25	31.00
Moss	1	....	....	.50	.49½	.50	200	....	....	.70	.35
Murphy	1	....	....	.36	.35	.35	1500	....	....	.49½	.31
Moffatt Hall	1	....	....	.23	.20	.20	51650	....	....	.35½	.20
Monelk	.	....	....	....	....	....	....	....	....	.15	.15
Newbec	1	....	....	.59	.36	.47½	577950	1.20	.62½	.66	.23
Night Hawk	1	....	....	.09	.07½	.08	29200	.10½	.04	.10	.05½
Nipissing	5	6	7.14	4.50	4.10	4.20	3850	10.30	5.25	6.00	3.95
Noranda	None	....	....	27.00	24.00	26.60	95211	25.80	19.95	27.00	17.00
Nat. P. & D.	.	....	....	5.20	1.00	2.75	1460	....	....	15.75	1.00
Nat. Silver	50c.	....	....	.20	.20	.20	....	....	....	.22½	.17½
Notre Dame	.	....	....	....	....	....	....	....	....	.53	.50
Ophir	1	....	....	.01¼	.01¼	.01¼	5000	.04⅜	.00¾	.03	.01
Osisko	.	....	....	.55	.45	.45	9300	....	....	.64	.35
Picard	1	....	....	.13½	.12	.12½	75850	....	....	.77	.10
Pawnee Kirk.	1	....	....	.42¾	.37	.40	38200	.78	.64	.80	.35½
P. L. Cobalt	1	....	....	.22	.20	.20	14000	.18	.02	.24¼	.06
Porc. Crown	1	....	....	.04½	.03½	.04	15500	.11	.03	.08	.03
Pioneer	1	....	....	.60	.58	.59	46480	1.18	.45	.68	.48
Potter Doal	None	....	....	.12	.10	.10	70200	.65	.10½	.22	.10
Premier Gold	1	32c.	14.24	2.40	2.15	2.25	10740	2.50	1.86	3.50	2.15
Preston	1	....	....	....	....	....	....	.07	.03	.05	.02
Pend Ore	1	....	....	17.50	16.00	16.10	19315	....	....	25.50	8.00
Pend pref.	.	....	....	....	....	....	....	....	....	1.40	.95
Porter Idaho	50c.	....	....	.70	.60	.61	14000	....	....	.88	.55
Ridgedome	1	....	....	1.25	1.25	1.25	200	....	....	1.25	1.03
Ribago	1	....	....	.10	.09	.09	31550	.87	.13	.25	.08½
Rouyn G.	1	....	....	....	....	....	....	.04½	.02½	.03½	.01½
Rouyn, Que.	1	....	....	....	....	....	....	.04	.01⅛	.02	.01¼
Rubec	1	....	....	.30	.25	.25	600	3.65	.80	.80	.25
Realty & M.	None	....	....	.54¾	.51	.52	53950	.38	.15	.54¾	.09½
R. Montbray	.	....	....	....	....	....	....	....	....	.32	.25
Ruth Hope	1	....	....	.61½	.58	.59	6500	....	....	.63	.57
San Antonio	None	....	....	.50	.42½	.44	105250	.57	.30	.54½	.33
Silversmith	20c.	....	....	.23	.21½	.21½	5000	....	....	.23	.18
Slocan King	20c.	....	....	....	....	....	....	....	....	.11	.08
Siscoe	1	....	....	....	....	....	....	.60	.12	.60	.15
South Keora	1	....	....	.04	.04	.04	1000	.64½	.04½	.17¾	.03½
Stadacona	None	....	....	.18¼	.15½	.17½	138750	.55	.13	.21½	.09
St. Anthony	1	....	....	.51	.47	.49	9500	.50	.16	.52	.33
Sudbury M.	1	....	....	.09	.08	.08	8000	....	....	.33½	.08
Sylvanite	1	....	....	3.15	3.05	3.06	3155	4.80	2.60	3.90	3.05
Sherritt G.	1	....	....	5.95	5.69	5.80	55109	....	....	8.00	5.69
Sud. Basin	None	....	....	9.95	8.80	8.95	83035	....	....	12.00	8.40
Sud. Contact	1	....	....	.35	.26½	.35	57250	....	....	.50	.26½
Sunloch	1	....	....	3.30	2.50	3.30	1050	....	....	6.50	2.50
Rouyn Kenn.	1	....	....	1.10	1.10	1.10	100	....	....	1.10	1.10
Simard (new)	.	....	....	10.00	10.00	10.00	660	....	....	10.25	10.00
Teck Hughes	1	10+5	....	10.50	9.75	9.87	46016	12.00	5.37	10.80	7.85
Telluride	1	....	....	.53	.51	.53	3350	.38	.35	.53	.37½
Tough Oakes	1	....	....	.31½	.23	.25	181850	.82	.25	.79	.21
Towagmac	1	....	....	3.00	2.60	2.70	5280	5.75	2.85	4.10	2.50
Timiskaming	1	....	....	....	....	....	....	.12	.04	.10¼	.05
Treadwell Y.	1	....	....	19.50	16.95	16.95	3790	26.75	18.50	32.00	16.95
Selkirk	.	....	....	....	....	....	....	....	....	.03	.02⅜
Thom. Cad'c	.	....	....	1.01	.86	.87	35525	....	....	1.06	.57½
Vickers	1	....	....	.70	.70	.70	700	1.52	.25	1.25	.60
Vipond	1	....	....	.60	.58	.58	12250	1.74	.47	.99	.46
Thom. Krist	1	....	....	....	....	....	....	.02	.00½	.01½	.01
United Kirk.	.	....	....	.20	.14	.16	7500	....	....	.20	.14
Wakenda	1	....	....	....	....	....	....	.16	.01	.15½	.06
West D. L.	1	....	....	.14½	.11½	.14	47155	.20	.08	.17½	.08½
Wiltsey C.	1	....	....	.40	.40	.40	500	.74	.50	.56	.40
Wright Har.	None	20c.	4.87	4.50	4.05	4.10	90250	8.45	5.50	6.80	4.00
Windfall R.	None	....	....	.12½	.11	.11	37600	.31	.19¼	.25	.11
Whitewater	1	....	....	2.59	2.40	2.40	4700	....	....	2.85	2.25
Woodbine	None	....	....	.46	.38½	.38½	186000	....	....	.46	.34½
Vaughan	1	....	....	1.50	1.22	1.50	400	....	....	1.50	1.15

CALGARY OIL STOCKS

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close May 29	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Acme	.	....	....	.30	.30	.30	100	....	....	.30	.17
Advance	.	....	....	.95	.70	.70	1671	....	....	.95	.25
Alta. Pac.	1	....	....	.81	.60	.62	17146	....	....	.81	.30
Black Dia.	.	....	....	.35	.26	.26	3630	....	....	.35	.26
Brit. Dom.	.	....	....	.50	.44½	.48	8600	....	....	.75	.25
Calmont Es.	.	....	....	1.00	1.00	1.00	2000	....	....	1.00	1.00
Calmont	.	....	....	2.10	2.10	2.10	1735	....	....	2.10	.85
[illegible]	.	....	....	....	....	....	....	....	....	.07	.07
Dalhousie	None	....	....	3.55	2.95	3.35	10038	....	....	4.25	2.25
Devenish	.	....	....	.75	.60	.60	26521	....	....	.75	.27
Great West	.	....	....	.34	.20	.20	1740	....	....	.34	.10
Highwood	1	....	....	.76	.61	.65	16890	....	....	.77½	.45
Ill. Alta.	.	....	....	.20	.18	.20	5200	....	....	.20	.14
Madison	.	....	....	1.45	1.20	1.45	12100	....	....	1.45	1.06
McD. S.	.	....	....	3.00	2.65	2.65	2341	....	....	3.00	1.40
McD. S. (new)	.	....	....	1.80	1.50	1.50	2740	....	....	1.80	1.00
McLeod	1	....	....	7.00	5.50	6.15	1232	....	....	7.10	2.97
Mid West	.	....	....	.60	.45	.45	825	....	....	.60	.26
Mill City	.	....	....	.55	.40	.40	3984	....	....	.55	.27
Moose M'tn	.	....	....	.30	.30	.30	35	....	....	.30	.25
Okalta, com.	.	....	....	47.00	44.00	44.00	29	....	....	47.00	20.00
Okalta, pref.	.	....	....	100.00	98.00	98.00	21	....	....	100.00	70.00
Ranchmen's	.	....	....	.70	.65	.65	250	....	....	.80	.65
Royalite N.	None	....	....	84.00	70.00	78.00	818	....	....	84.00	45.00
Signal Hill	.	....	....	.30	.20	.20	4170	....	....	.30	.14
Spooner	.	....	....	1.85	1.47½	1.65	5948	....	....	3.00	1.10
Stockmen	.	....	....	....	....	....	....	....	....	.35	.32
Turner Valley	.	....	....	.70	.65	.70	3235	....	....	.70	.30
United	.	....	....	2.65	1.47	2.00	1795	....	....	2.65	1.12
Vulcan	1	....	....	2.90	2.25	2.45	[illegible]657	....	....	3.03	2.15

Mining Inquiries

Central Manitoba

Would be glad to have your opinion on Central Manitoba. I purchased at $2. Would you dispose of it or hang on to it?

Our information on Ceneral Manitoba Mines is that development work is progressing satisfactorily. Present indications are that this stock will show an appreciation if held over a period of time.

Ovico Mines

Kindly let us know if Ovico Mines is under good and reliable management, and if there is a prospect of an advance.

Ovico Mines is a newcomer on our lists. We regret that we have no information on our fyles concerning this company.

We have made enquiries of several mining brokerage houses in Toronto, and they tell us that they know nothing of this company.

Alamac

I would like to have your opinion of Alamac Mines. Is it making any progress?

Alamac is a prospect adjoining the Abana Mine in Desmeloizes Township, Quebec, on the east. Diamond drilling was begun on this property last December in an endeavor to pick up the extension of the Abana ore, but we are informed that nothing of any material importance has yet been located.

Cold Lake

Would you please give me the latest information on Cold Lake Mines in Manitoba?

Cold Lake Mines have recently acquired a substantial block of claims to add to its already large holdings. Diamond drilling is now being carried out on the Earl and Complex claims in an effort to pick up the Fletcher zone, which crosses from the adjoining Sherritt-Gordon property.

Gold Hill

What is your opinion of the Gold Hill Mines? Is its stock likely to go back to 30 cents? I bought it at 20 cents.

Gold Hill Mines is a prospect on which an energetic campaign of development is to be carried out.

We believe the management is a capable one and that a purchaser of this stock will be given a good run for his money.

We published a full report of the latest developments on this property in our issue of the fourth of May.

Worthwhile Investments?

Moffatt-Hall, Kootenay-Florence, McVittie-Graham, and Stilwell-Mathé at Blind River have been spoken of by various brokers as worth-while investments. What is your opinion?

Moffatt-Hall is a prospect in the Kirkland Lake district. It is in good hands and has speculative possibilities. We do not believe that Moffatt-Hall, Kootenay-Florence, or McVittie-Graham can be considered as investments. Each of these have possibilities from a speculative standpoint. We have no information regarding Stillwell-Mathe.

Sladen Malartic

I am a constant reader of your paper and would appreciate any information you can give me on Salenda Malartic Mines in Quebec.

We have never heard of the Salenda Malartic Mines. Perhaps you mean the Sladen Malartic Mine. This company has four groups of claims comprising 1400 acres located in Malartic and Fourniere Townships in Quebec. A gang of men are now at work building camps, and surface work will be carried out to extend the knowledge of the discoveries made last fall. Following the surface exploration, diamond drilling will be done.

Sherritt-Gordon

Would you be good enough to tell me if you consider Sherritt-Gordon a good buy for a hold at the present figures?

Sherritt-Gordon is one of the outstanding mining properties in Northern Manitoba. We consider it holds attractive speculative possibilities.

At the last annual meeting of Premier Gold, the directors announced that a reduction in the quarterly dividend might be anticipated in order that the company might be assured of ample cash resources for the development of several newly acquired properties. This, apparently, would account for the slump in this stock.

Ray Gold

A customer of ours holds some shares in the Ray Gold Mining Co., Lawrence Co., South Dakota. He is desirous of ascertaining whether the company is still in existence, and if so, whether the shares have any present value. As a subscriber to your paper I would greatly appreciate your giving me what information you can, and enclose stamped envelope for your reply.

We do not keep in touch with United States companies and have no information on our files concerning them. We have looked up the Ray Gold Mining Co. in the 1926 edition of the Mines Hand Book and have been unable to find any record of it there. This book contains a list of all operating mines in the United States and Canada.

Kootenay-Florence

I have been advised to purchase some shares in the Florence Gold Mine Co., but before doing so, would be glad if you could tell me something about this company. I notice a heavy turn-over each day in the purchase of these shares.

We presume you refer to the Kootenay Florence Mining Company. We consider this a speculation.

Malcolm Stobie of Stobie, Forlong & Company, mining brokers of Toronto, who are interested in this property, recently visited it. He stated that its possibilities were far beyond his expectations and that on a conservative basis he counted on its early production showing a profit of $1,000 a day.

Amulet

I have been a subscriber to your paper for some time and have read with interest your comments on the mines. Would you advise me of your personal opinion on Amulet Mines?

I am a large shareholder and am anxious to get the facts about the mine. I notice that some criticisms published are not a bit favorable. The directors are giving no information, and as I am rather anxious, I would appreciate any information you can give me.

Amulet is considered one of the most promising properties in Quebec and some intelligent buying of this stock has been going on for some time. No statement regarding ore reserves has been made for over a year and it is not likely that one will be issued until July. Diamond drilling is being carried out on the No. 1 ore zone where surface indications suggest important ore bodies. Plant installation is going on in No. 4 area.

Vipond Consolidated

I hold 700 shares of Vipond Consolidated stock to average $1.26 and would appreciate your advice as to future possibilities for this stock.

Has Vipond made any headway during the past year and uncovered any new ore bodies? I am inclined to dispose of my holdings at present prices. What is your opinion?

Vipond is making a determined effort to put itself on a profitable basis. A prominent engineer recently inspected the property and has mapped out a comprehensive plan of development, which is to begin this summer. We are informed by the company that Vipond is milling $50,000 of ore a month. In view of these circumstances we think you might be well advised to hold on to your stock and await developments.

Treadwell-Yukon

I have under consideration the purchase of a block of shares in the Treadwell-Yukon Mining Co. Will you be good enough to give me some reliable information concerning the property, financial position and management of this company? Would you recommend the purchase of the stock for a profitable hold?

Treadwell-Yukon Mining Company is a subsidiary of the Bunker Hill-Sullivan Company, one of the largest mining operations in the United States. The ore reserves of this mine have been estimated by its engineers as 1,000,000 tons of $12 ore. It has been estimated that this ore can be mined at a net profit of $4.28 a ton. Treadwell-Yukon's estimate of ore does not take into consideration the rich No. 2 shaft area.

Treadwell-Yukon is the outstanding property in the Sudbury lead-zinc area.

Bidgood

I sold Imperial Oil at $64 and want to buy it back again at $60 or $61 or less. Imperial Oil is usually at its lowest in June or July. I have a very strong desire to put this money where it will make a hundred or so in the meantime. I am inclined to buy 2,000 shares of Bidgood at around $1 or $1.05 and hold it for a month or two, perhaps longer. Surely Bidgood would jump 10 cents in that time. That would make me $200 clear, minus brokerage fees. I already have 300 shares of Bidgood. Please advise me of your opinion at your earliest convenience and I thank you for any information received.

Bidgood is meeting with satisfactory results in development work. Your guess as to what Bidgood will do in the next couple of months is just as good as ours. We do not believe anyone, unless they have control of this stock, can predict what the market will do in that period of time. Bidgood, undoubtedly is worth more from a mining standpoint at the present time than ever before in its history. We believe it can profitably be treated as a long hold proposition.

Mining Corporation

As a subscriber to your paper, and in the interests of some of our valued customers, we would appreciate if you would kindly advise us concerning the Mining Corporation of Canada.

We particularly would like to know the present capitalization, par value of shares, number of shares outstanding, value of treasury and how made up, names and number of properties which they own or are interested in?

Does an investment in Mining Corporation at present market prices look to you an attractive mining gamble?

Any information that you are in a position to furnish us with will be greatly appreciated.

We believe Mining Corporation, at its present market price, offers attractions in view of its holding of 185,499 fully paid shares of Hudson Bay Mining and Smelting Company, and in addition net liquid assets of $1,810,000. Features which render the stock unpopular with the investing public, however, are the possibility of a depletion of ore reserves on the company's silver properties and the fact that a great deal of the stock is held in England, and the shareholders there have followed the policy of taking their profits on a rising market, thus depressing the stock. The company, however, is in a splendid position to acquire new properties and this is receiving the consideration of the management.

Bidgood

I enclose herewith clipping which speaks of the outlook for Bidgood Gold Mines as "not very reassuring." This is a big surprise to me as for some time past I have been under the impression the outlook for Bidgood was very promising. Last December, I bought 39,000 shares of this stock at $1.64 per share, which I still hold.

I would be glad if you would be good enough to let me have your opinion of the stock. Is Bidgood doing any work on the 600-ft. level, and has it picked up the downward extension of the vein yet? They have been talking about getting to work on that sixth level for many, many weeks, but as far as I can find out, they do not seem to get to work at it.

I have been a subscriber to your paper for many years and would like very much to have your opinion on the advisability of continuing to hold this stock.

Our information is that Bidgood is steadily improving its position and gives every indication of joining the ranks of the Kirkland Lake producers. A raise is being put up from the 600 to the 400 level at the present time and the old drift is being extended eastward on the 600 level. President Erenhous recently informed us that drifting on the 400 level on the new vein looked very healthy. The annual report of Bidgood will be forthcoming this month and will contain a full account of the progress made during the past year ... unable to account for ... made in the shipping ... From a personal ... property made last January ... from progress reports ... ceived since, we fail to ... this stock ... er Bidgood, while speculative ... much ...

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A wire just received from the Engineer says that the vein in the tunnel 150 feet from the base of the ridge and 97 feet below the surface outcrop.
The Engineer says that as soon as they ... ascertain the width of the mineralized zone ... the vein.
Pipe lines are now being laid to bring air to the drills in the tunnel ... feet further south.
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PIONEER'S SHAFT TO REACH 550 FT. BY MIDDLE OF JUNE

Company Issues Progress Report Covering Three Month Period

BUSY ALL OVER MAP

Examine Alaska, Manitoba, Ontario, New Brunswick and Nova Scotia Properties

Pioneer Mining Corporation has issued the following official progress report for the three months ended April 30, 1928:

"At the Cooper Gold Mines, Wawa, Michipicoten District, the sinking of the shaft on the Jubilee Break has proceeded steadily although somewhat slower than was anticipated owing to severe weather conditions. At the end of April the shaft had reached a depth of 375 feet and stations had been cut at the 183 ft. and 290 ft. levels. Since May 1 much better progress has been made and the shaft has now reached a depth of 450 feet, and a station cut at the 411 foot level. It is expected that the shaft will reach the objective of 550 feet by the middle of June, when crosscutting and drifting will commence.

Examine Alaska Property

"Jointly with the Huronian Belt Co. and the Keeley Silver Mines, considerable exploration and development work has been carried out in several promising districts and options have been taken on a number of properties, including a substantial interest in the Admiralty Alaska Gold Mining Company. This company has 22 claims, containing 1,040 acres, situated on Admiralty Island, 18 miles from Juneau in South Eastern Alaska in the well-known and productive Juneau gold belt. The property is very accessible, being situated on tidewater, and includes 29 veins at present known. There is abundant water power available for electrical generation. Considerable exploration work has already been carried out. The company's engineers are at present on the property and a thorough and comprehensive examination is being made, and at the same time extensive exploration work is being carried out, including the extension of the low level adit, which is being driven about 1,600 feet below the outcrop. Previous examinations by several engineers show average values not less than $8 per ton over widths ranging from 2 ft. to 250 ft. These values have been confirmed by bulk tests put through a ten stamp mill which is already on property. Our consulting engineer, Dr. H. C. Boydell, has just returned from a visit to the property and is very favorably impressed with its possibilities in view of the large number of veins and extensive mineralization existent, quite justifying, in his opinion, the extensive examination and development work being carried out, which will occupy about four months. From information so far available, the property appears to have possibilities of developing into a very large tonnage operation.

Northern Manitoba Claims

"On the Gordon-Cook claims in Northern Manitoba exploration work is being carried out, but no definite results have as yet been obtained.

"An option has also been taken on a group of 25 claims, comprising one thousand acres in Sturgeon Lake District, Ontario, and prospecting work has already commenced.

"In Nova Scotia and New Brunswick arrangements have been completed for the formation of two local syndicates to carry on active prospecting in these provinces under the direction of the company's engineer."

CLERICY MINES START DEVELOPING SUDBURY PROP'TY

Drilling Cameron Creek Break in Trill Township to Trench Gossan

Clericy Consolidated Mines, Limited, has started drilling on its Sudbury property in Trill Township. A pilot hole is being drilled to cut the break along Cameron Creek where the conditions for finding ore are reported to be very favorable. On account of the spring break-up and accompanying wet conditions of the road, considerable delay was experienced by the diamond drillers in getting started.

Besides the drilling a gang of men is also employed on trenching, testpitting and exploratory work on this property. Interesting values in copper and zinc have already been found in preliminary surface work. The object of the present programme is to trench the gossan outcrops and prepare the ground for diamond drilling.

A prospecting party has also been sent out and is working on favorable ground in another part of the Sudbury District.

At the present time the company's engineers are in Clericy Township and a report on a programme of summer work in this section will be made by them.

Stadacona Rouyn Reports High Gold Values in Core

Stadacona Rouyn reports that "diamond drilling on Block No. 2 of the company's property south of Noranda in the Pelletier Lake region, has revealed interesting possibilities. At a depth of 190 feet the core assayed $94 in gold, and 8.57 per cent. in copper. At 396 feet, the core assayed $27.60 in gold, and at 460 feet it assayed $25.60. Throughout the length of the core it is well mineralized, in some places running over $9 in gold."

A second drill is being put down at an angle of 52 degrees and should cut the ore zone within a short time. Another diamond drill is being placed on this showing at once, and with both diamond drills working night and day, interesting news should be forthcoming. It is felt that there is a rich deposit of ore in this vicinity, and the company's officials are optimistic.

PURCHASE DIAMOND DRILL

Copper Zinc Mines, operating in Sudbury, has purchased a diamond drill and H. McMaster, consulting engineer, plans to have drilling under way in 10 days.

Sudbury; Manitoba and British Columbia Rivals in Mining Boom

New Additions May be Made to Sudbury Nickel Operators—Other Camps Meet With Success

Sudbury, Northern Manitoba, and the Portland Canal area of British Columbia are three mining camps that seem vieing with one another as to which will develop the greatest boom during the coming year. There are dozens of new operations coming to the front in each. Success on Treadwell Yukon, Sudbury Basin and now Creighton Fairbanks, makes the lead-zinc section of Sudbury stand out like a sore thumb. In addition, the nickel-copper operators are driving ahead, and there are reports that an addition to these operators will soon be announced.

In Manitoba, Flin Flon, Sherritt-Gordon, Mandy and Callinan Flin Flon are meeting with such favorable results that there is a flock of new ventures about to start. They are waiting for the final disappearance of the snow.

Portland Canal has not made much progress the last couple of years. Premier has continued to do well. B.C. Silver has made little progress. The failure of Dunwell milling operations last year hurt. However, this year the good news about Woodbine, the purchase of three new groups by Premier, and the advent of Consolidated Smelters into two sections of the camp at Bear River, where it secured control of George Copper, and in Salmon River where it secured control of Big Missouri, started a big drive on the camp.

To-day, there is very little open ground in the whole camp. It is stated that stakes have been put in right up to the edge of the glaciers. There are several companies with large holdings that have been working steadily, the leaders being Premier, B. C. Silver, National Silver, Woodbine, Bush Consolidated, and Dunwell. Of late, Premier took over three new groups, Prosperity, Porter Idaho and Silverado, and the Bush Company acquired large additional holdings on both sides of the International boundary. A fairly complete list of the operators in the camp to-day in addition to the above follows:

Big Missouri, Northern Light, Hyder Lead, Georgia River Gold, George Copper, Argenta and Rufus examined recently by the Daly-Gerrard interests of New York, American Mining and Milling, Red Hill, Border Mining, Crest Mining, Marmot Metals, Marmot Gold, Marmot Consolidated, Mayflower, Bear River Mining, Portland Canal Gold, Alexandria Gold Mines, Bayview, United Empire, Premier Border, Indian, Glacier, L. & V. L. Consolidated, Engineer Syndicate, Independence, Silver Crest, B. C. Bonanza, and Dalhousie.

DEEP MINING IS PROFITABLE IN N. SCOTIA

Faribault Says That Further Discoveries May Also be Made

The one outstanding authority on Nova Scotia gold mining is E. R. Faribault, D.Sc., of the Geological Survey. He says that former mining operations have not exhausted the potentialities of the province and indicates that deep mining can be undertaken profitably. He says in writing on the goldfields:

Gold has been mined in some 50 different centres, but since geological structure has been so well mapped and the anticlines traced, systematic prospecting along these folds by men who understand the intimate relations that exist between rock structure and gold deposits may yet reveal the presence of other paying centres.

Future Possibilities

There is reason to believe that the auriferous veins have not been exhausted.

The most of the mining done in the early days of the industry was carried on by individuals, who had not sufficient capital to do more than merely test the surface of the vein. Even when capital was available the prevailing notion that the deposits were only superficial prevented the testing of the veins at any considerable depth, and thus only the upper pay-shoots were worked out. Later operations have shown that many mines that were abandoned in the early days contain much rich ore.

How Veins Lie

The veins that have been worked with profit lie in a belt approximately parallel to the axis of the main anticline or along some subordinate flexure, that is their position on the fold is dependent on some particular feature of the rock structure. As this particular feature would be repeated in underlying strata in a zone parellel to the axial plane of the anticline, it has been conceived that there is in each district a pay-zone, which has a surface equal to the area in which the paying veins outcrop, and which extends to an indefinite depth parellel to the axial plane. With this idea in view a policy of deep mining has been recommended. In support of this theory stand the two facts:

The veins of Nova Scotia resemble the saddle reefs of Bendigo, Australia, which has been mined at a great depth.

Veins which do not outcrop have been found by sinking and crosscutting and have proved profitable.

PREMIER RUSHES TO GIVE MARMOT AREA PRODUCER

Clears Tramway Right-of-Way from the Beach and Builds Dock

The Premier Gold Mining Company's advent to the Marmot River district is having the effect of making that district veritably hum with activity and Stewart is beginning to envision a day not many months distant when the Marmot will loom large in the Portland Canal picture as a producing area.

The Premier has already slashed more than half a mile of the tram right-of-way from the beach toward the Porter Idaho. Late July should see the tramway completed, according to local estimates.

At the same time the company is going ahead with the construction of its own dock at the mouth of the Marmot River to serve as a shipping terminal for the tramway and deep-sea boats will be enabled to load alongside.

$40,000 Ore Monthly

It is not unreasonable to expect that the Premier management will exert every effort to make the Porter Idaho compensate for what deficiency may occur in high grade shipments from the Premier mine and thus to lessen or possibly obviate any loss in revenue from that source.

It is said here on fairly good authority that the Premier hopes to net, from its share of Porter Idaho stock, between $40,000 and $50,000 a month from ore shipments. Over how long a period that could be kept up, of course, depends on how much high grade ore can be developed on the Porter and Prosperity. First ore will probably be stoped from the vein encountered by the Premier when it was driving through Porter Idaho ground to reach the Prosperity, and encountered a body of ore that decided the company to press its negotiations for the Porter.

If this general assumption is correct, and local shareholders of Porter Idaho believe it to be so, that company will benefit substantially by the Premier's work this season. That the big mining company intends to make rock fly in its program on Porter is pretty well apparent.

NEW COMPANY PLANS TO OPEN MOUNTAIN BOY

Prepared to Spend $50,000 This Season in Development

A good deal of interest has been aroused locally by the report that Pat Daly, one of the picturesque "characters" of the camp, has organized the Pat Daly Mining Co. in Montreal and has bonded the Mountain Boy mine on American Creek, a tributary of the Bear River.

It is stated that the company is prepared to spend $50,000 on this season's devolopment programme.

Pat Daly was identified with the early development of the Premier mine and more recently with the Big Missouri mine.

The Mountain Boy mine, while still undeveloped, was one of the first properties staked in the district. It attracted the attention of the first placer gold seekers who came to the head of Portland Canal in 1898 and remained to interest themselves in hard rock mining.

Sir Donald Mann Interested

When Sir Donald Mann became interested in the camp he bonded the Mountain Boy, and it was this property which was partially responsible for him running the Portland Canal shortline railway from tidewater up the Bear river valley. A survey was made from the present terminus of the railway to the Mountain Boy. This will be rechecked and the new company which is, figuratively speaking, following in the footsteps of the far-sighted Sir Donald, is reported to be considering putting in a spur line up American creek, if tonnage warrants, to serve the Terminus, Vancouver and Mountain Boy mines.

An option on the property, procured last year by W. H. Tolin of Stewart, was turned over to Pat Daly.

Neil Mathieson is on the ground extending the camp accommodation and preparing for development operations.

The mine has a good showing of high grade ore as well as a body of low grade upon which work will be concentrated with the object of proving up a sufficiently large body of ore to warrant construction of a mill at American creek.

VIPOND RECOVERED $155,600 BULLION

Tonnage of Ore Milled Was 20,745—Promising Oreshoot Proves Unimportant

During the three months ended April 30, 1928, 20,745 tons of ore were milled, and bullion to the value of $155,660 was recovered by Vipond Consolidated Mines, according to the official report issued by the company.

During March a shoot of ore was encountered at the 500-ft. level. This at first looked quite promising, but further work proved it relatively unimportant.

The Vipond mine at Porcupine has been inspected by the company's consulting engineer, Dr. H. C. Boydell, who after an exhaustive study of the geology of the district, and the underground workings of the property, has mapped out a comprehensive program of development which is to be carried out under the direction of Mine Superintendent Robert Dye.

Keeley Silver Produces 152,498 Ounces of Silver

An official report issued by Keeley Silver Mines for three months period ending April 30, 1928, states that the mine at Silver Centre produced 152,498 ounces of silver and 16,877 pounds of cobalt. The report further states that no discoveries of importance were made during this period.

Keeley's outlook is better because of the improvement in silver prices and possibilities in other fields. Liquid assets per share are about equal the price of the stock.

Windfall Takes Up Ground In Malartic and Fournier

Windfall-Rouyn has entered the Cadillac-Malartic field, having acquired 600 acres in Malartic Township, and 480 acres in Fournier Township. This area will be actively worked during the coming season by Malartic Gold Mines, Cartier-Malartic, Sladen-Malartic, Lucky Tiger Mines and Sudbury Basin Mines.

Windfall is reported to have ample funds in its treasury, and is thus in a position to secure properties that have an excellent chance of developing into producing mines.

READY TO EQUIP KOOTENAY BELLE WITH 25-TON MILL

Directors Much Pleased With Recent Development

From Our Own Correspondent

NELSON, B.C.—Decision to equip the Kootenay Belle gold mine, Sheep Creek, with a 25-ton mill, capable of enlargement to 50-tons when the larger plant is demanded, is announced by Thomas Mathews, of Vancouver. The announcement followed an inspection of the property and a conference on the future of the mine with Arthur Lakes, consulting engineer. Mr. Mathews, Jonathan Rogers, of Vancouver, and F. M. Black, the latter, chairman of the interior tree, fruit and vegetable committee of direction, have for many years been joint owners of the property, which they re-opened and brought to production last year.

Mr. Lakes reported to Mr. Mathews that the Kootenay Belle looks better at the present time than ever before in its history.

The east face in the larger vein, generally considered to be an extension of the Queen vein, main vein of the Queen mine, has broken into four feet of ore, at about the point anticipated for reaching such ore body.

Work to the west in this drift, which is in the second level, 200 feet below the first level, has been going through an ore body five feet wide, averaging about $20 per ton, this ore shoot being so far 100 feet in length.

Open Ore Shoot

Work on the smaller vein, usually termed No. 1, has been similarly productive. Going east, an ore shoot approximately 180 feet long to date and varying from one to three feet in width has been opened. Where it has been two feet wide it has had an average value of $45, and where three feet wide, of $20 per ton. The present face has a foot of ore.

Going westerly in this vein, ore has been stoped for 80 feet, values going over $50 per ton by the smelter returns. Five car loads of ore have been shipped to Trail since the commencement of operations last summer, a winter shut down having intervened, and a car of ore from the drift in the larger vein is now being loaded.

An oil engine supplies the power for the compressor, which can handle two drifters or a drifter and a stoper. It is understood that the availability of the modern oil engine for this purpose was the consideration that led to the re-opening of the Kootenay Belle mine, so many years untouched.

Free Milling Ore

The oxidized gold ore is to a very great extent free milling, and the mill to be installed will utilize a ball mill, with the amalgamation process for the gold. Plans will be proceeded with at an early date.

"We are considering enlarging the scale of work at once, and increasing the force of 11 men that Superintendent Frank Phillips is working," stated Mr. Mathews. "I was particularly pleased with the looks of the mine, and consider that Mr. Phillips has done a very miner-like job."

Malrobie Mines Take Over Robb-Dean Group of Claims

Malrobie Mines has been formed to take over the Robb-Dean group of claims in Malartic Township, the gold area of N. W. Quebec. These claims comprising approximately 500 acres in one block, are known to be well located, and work already done disclosed some interesting high-grade ore.

WEST DOME CUTS $10 ORE

Word from West Dome Consolidated Mines at South Porcupine is that a second ore shoot has been struck on the 1,200 foot level, which runs $10 to the ton over a width of 5 feet and has been drifted on for 15 feet.

Regal Bakeries Grow

With the addition of fourteen routes, making 26 all told, Regal Bakeries, Toronto, are reported to have increased production 22 per cent. in the period between October 3, 1927, and May 19, 1928.

Daring Experiment Made Laying Flin Flon Line

Racing Against Time, Contractors Lay Ties and Rails on Frozen Ground to Win $250,000 Bonus

Railroad contractors engaged in building the ninety mile section of track which is to connect the Hudson Bay Mining and Smelting Co.'s mine and smelters at Flin Flon with The Pas, are making history in railroad construction. The contractors are racing against time to complete the road before December 31, 1928, and thus earn the $250,000 bonus which the Hudson Bay Mining and Smelting has offered as an incentive.

The aid of old King Winter has been secured by the contractors in a daring experiment, and instead of a hindrance, the doughty old chap has proven an all-powerful ally. The manner in which his services have been called into play are set out in the following article appearing in the May number of Natural Resources of Canada.

Interest Centres on Flin Flon

The railway is one of the greatest agencies in the rapid and economic development of Canada's natural resources. The initiation and subsequent progress of many of the major development operations in the newer parts of the Dominion have depended largely on the provision of rail communication. Much interest is now centred on Flin Flon which is situated about ninety miles north and west of The Pas, Manitoba, the nearest railway point. Ordinarily the construction of a railway of this length through sparsely timbered northern country would occupy between two and three years. So important, however, was the element of time that the Hudson Bay Mining Company, the owners of the Flin Flon Mine, when the contract for construction was signed on December 1, 1927, offered a cash bonus of $250,000 if the line were completed and trains running before December 31, 1928.

Daring Experiment

The contractors, therefore, to speed up construction, entered upon the daring experiment of laying the ties and rails of a standard railway on the frozen ground for the first fifty miles; and, dispensing with "tote" roads, they carried in all the materials for the building of the whole road, and all the initial equipment for the mine, before the spring thaw rendered the unballasted railway impassable.

The immensity of the task facing those in charge of the construction of this line may be better realized when the character of the country and the short space of time allowed for the completion of the line are taken into consideration. The first fifty miles of the right of way traverses a comparatively level area marked by muskegs and lightly timbered swamps, sections of which are almost impassable during the summer months. Beyond Mile 50 and to the end of the line, thirty-eight miles further on, the country is broken, consisting of rock ridges with a fair growth of timber and dotted with lakes.

With only a small amount of clearing and levelling, steel was laid on the frozen ground for the first fifty miles, enabling construction to reach the beginning of a system of lakes navigable for scows and rafts, along the shores of which runs the final stretch of this line. During the winter it was possible to operate trains from the main line near The Pas to the head of water transportation and the material required for the completion of the line and for the opening up of the mine was moved in. With the spring break-up the heavy timbers will be floated to the sites of the bridges and the machinery and other materials carried by raft and scow to the various scenes of activity.

Three gravel pits were opened up along the first section of the road, and this spring and during the early summer the work of ballasting and lifting the roadbed will be pushed forward in both directions from each of these three points. Early in the operations camps were erected from Mile 50 to the end of the line at Flin Flon and gangs of men were started in on the work of clearing, grading, and bridging. The materials and supplies for this work were taken in from the end of the first section of the railway over a winter sleigh-road, the hauling being done by tractors and horses. Six small bridges have been completed and over the whole line there is enough material now on hand to keep everyone busy until the track is ballasted.

This line is being built by the Manitoba Northern Railway Company under charter from the province of Manitoba. The present directors are officers of the Canadian National Railways, the Deputy Minister of Railways and Canals, and a representative of the Hudson Bay Mining Company. The line will be leased on completion to the Canadian National Railways for a period of twenty years under such terms that at the end of that time the line becomes the property of the operating company.

New Brunswick Motor Car Receipts Establish Record

Motor vehicle license receipts at the New Brunswick Department of Public Works up to the end of April are greatly in excess of receipts for the same period of 1927, according to Hon. D. A. Stewart, Minister of Public Works.

Receipts for the first six months of the fiscal year up to April 30th, 1928, reached $306,234.23, returns from the motor vehicles license branch show, as compared with $241,357.36 for the same period last year. The month of April was the big month, the receipts in April reaching $152,814.65, which almost equals the entire receipts for the first five months of the fiscal year.

The receipts for the first six months form a larger total than the entire receipts for the year 1922, the total receipts in 1922 being $302,263.14, as compared with $306,234.23 for the present year up to the end of April. The receipts in the month of April alone of $152,814.65 are considerably more than the total receipts for the full year of 1919, when the figures reached were $116,565.97.

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has been formed to develop several groups of valuable claims in the Northern Quebec Field. All of these claims are within the known ore zones of the districts in which they are situated. Two of these groups consist of 1700 and 800 acres, respectively, adjacent to Abana, Abbey and La Reine Mines in Demeloizes Township. The third group is located in the Harricana River Valley in Cadillac and Bousquet townships, in the neighbourhood of Thompson-Cadillac, Malartic, Graham-Bousquet, Siscoe and O'Brien mines.
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Canada's Metal Exports Show Marked Increase

Gain of $11,000,000 Recorded For Fiscal Year—Increase Due to Greater Production and Hydro

Canada's exports of metals are growing rapidly. For the fiscal year ended March 31, a gain of nearly $11,000,000 is recorded in exports of non-ferrous ores and smelter products; this despite the fact that prices for copper, lead, zinc and silver were not so good as in the previous year.

Exports of nickel, copper, lead, aluminium, zinc, cobalt and platinum exceeded $75,000,000, compared with $67,500,000 in the previous year. With gold, raw and in bullion, the total comes to over $87,000,000 compared with $76,000,000 a year ago.

The increase in the value of Canada's export business in metals is not alone due to greater production of the mines but to a surprising extent to increasing utilization of hydro-electric power in the refining of metals in Canada, says the Department of the Interior, through its Natural Resources Intelligence Service. In analyzing the figures one is struck by the growth of the aluminium refining industry and of nickel refining in Canada. Electrolytic refining of metals meant millions of dollars to Canadian industries last year.

In the case of aluminium, the raw material alumina is imported into Canada and brought to localities where cheap hyrdo-electric power is available for refining. At Shawinigan Falls and at the new town of Arvida in the Saguanay district, electrolytic refining of this metal is carried on and with what success is indicated by the export figures for the fiscal year. These show exports of aluminium for the year just closed as more than double the quantity in the previous twelve months.

The rise in value of Canada's export nickel business is in part due to shipments of more nickel than in the previous year and in part to a larger percentage of nickel products leaving the Dominion in refined and consequently more valuable form. Canadian hydro-electric power and Canadian labor and machinery are being used on an increasing scale in the production of electrolytic nickel—a product 99.8 per cent. pure.

Exports $17,000,000 of Nickel

In round figures Canada exported in the fiscal year ended March 31, 78,000,000 pounds of nickel valued at $17,000,000 compared with 62,500,000 pounds valued at $13,000,000 in the previous year. The year just closed saw Canada's exports of nickel come back on a par with the highest recorded in the war period when in the fiscal year ended March 31, 1919, exports exceeded 79,000,000 pounds. Then nickel was valued at 37 cents a pound; now the value is 27 cents. Yet, although the value of the refined metal has dropped by ten cents a pound, and the quantity in 1927-28 was nearly a million pounds below the peak, Canada's exports were worth over 50 per cent. more than in the peak year when the recorded value was slightly over $11,000,000 compared with $17,000,000 this year.

Detailed figures of the products which make up Canada's nickel exports portray clearly the value of refining this metal in the Dominion. In the fiscal year 1918-19 trade statistics show 76,000,000 pounds of nickel exported in ore, matte or apeiss at a valuation of 13 cents a pound and only a little over 3,000,000 pounds exported as refined metal at the 37 cent valuation. In the fiscal year 1927-28, 37,000,000 pounds were exported in matte or apeiss at an average of 15 cents a pound, 33,500,000 pounds as fine nickel at 27 cents, and almost 3,000,000 pounds in nickel oxide at 31 cents.

Comparing the latest year with the immediately preceding year there was little change in exports of nickel in the cheapest form, but exports of fine nickel rose by over 8,500,000 pounds. In the third and still more valuable item of nickel oxide at 31 cents a pound, the entire amount of nearly 8,000,000 pounds valued at $2,500,000 represents a gain since nickel was not separately shown in that form in the exports of the previous year.

Canada produces upwards of 90 per cent. of the world's supply of nickel, most of the remainder coming from the island of New Caledonia in the South Pacific. Discovered in 1883 during the building of the Canadian Pacific Railway, development of the Sudbury nickel-copper deposits synchronized with the discovery of the valuable qualities that small percentages of nickel give to steel. Now nickel is in demand the world over, not only for its use in nickel steel and in coinage and plating, but for new and useful alloys to provide parts for automobile and airplanes and in a great many other branches of industry. One of the most important uses of nickel developed since the war is in Monal metal, an alloy of nickel and copper which possesses the strength of mild steel and is non-corrosive. Consequently, it is in much demand in the engineering industries.

Canada's production of refined and electrolytic nickel is from the International Nickel Company's refinery at Port Colborne, Ontario, conveniently situated for supplies of electrical energy from Niagara Falls for the production of electrolytic nickel. The refinery also produces nickel oxides and salts, and blister or converter copper. For the manufacture of Monal metal some nickel-copper matte is shipped directly from the smelter at Copper Cliff in the Sudbury area to Huntingdon, West Virginia, U.S.A. Mond Nickel Company ships nickel-copper matte from its smelter at Coniston, near Sudbury to its refinery situated at Clydach in Wales. Nickel oxide is also produced to some extent at Deloro, Ontario, from the refining of cobalt ores carrying nickel values.

A word about Canada's exports of copper, lead and zinc. In all of these increases are shown for the fiscal year 1927-28, but with the exception of copper values are down slightly. Copper exports increased by 19,000,000 pounds to 133,000,000 pounds valued at $14,500,000, a gain of $650,000 in value; lead exports increased by 30,000,000 pounds to 255,000,000 pounds valued at nearly $12,000,000, a decrease in value, however, of about $1,500,000. Exports of zinc in spelter increased by 25,000,000 pounds to nearly 124,000,000 pounds valued at $7,000,000, a decrease in value of $200,000. Zinc is also exported to some extent in ore, this item decreasing by half a million dollars to $860,000.

The story of utilization of hydro-electric energy in Canada for electrolytic refining of metals also includes lead, zinc and copper, particularly the first two. All three of these metals are produced electrolytically at the great metallurgical plant of the Consolidated Mining and Smelting Company at Trail, B.C., the largest non-ferrous metallurgical plant in the British Empire, with a capacity of 400 tons of lead, 375 tons of zinc and 60 tons of copper per day.

Undeveloped Minerals Throughout Nova Scotia

(Continued from page 21)

are easily excavated and only require a certain amount of draining, removal of soil, digging up and drying.

List of occurrences:

Little River, Digby Neck. 80 acres about 14 ft. deep, containing over 200,000 tons. Operations are under way on this deposit by the Scotia Diatom Products, Limited.

Salmon River, Digby County. The country drained by the Salmon River in the vicinity of Sigogne and Maxwellton comprises numerous meadows and intervals that are underlaid by deposits of diatomite. These areas range up to 50 acres in extent and the deposits vary from 4 to 30 ft. deep. At least 100,000 tons of material can be obtained from these deposits.

Nicholsville. Three miles south on the west branch of the South Annapolis River, one-quarter mile below Beech Hill dam. It has not been surveyed but does not seem to be very large.

Horseshoe Meadow. On the east branch of the Annapolis River, one mile above Shinglemill Fall. Said to be up to 10 ft. deep, South Brook or Fourmile Lake. Below lower Round Lake. Not surveyed but small.

North Mountain. One-quarter mile east of Morden Road on James McGarvie's farm. Not surveyed, but small.

No Mineral Fertilizers

No deposits of mineral fertilizers have been found in the territory. There is a possibility, however, of potash salts being associated with the salt deposit at Falmouth, Hants county. Local limestone and gypsum are ground and used as a land dressing. Some gypsum is exported to Virginia for peanut culture.

The tidal silt of the Bay of Fundy in the vicinity of the Cornwallis River is noted for its fertilizing qualities. In past times it has been used locally on hay and grain lands. Near the coast sea-weed is also used.

There is a bed of garnet-bearing rock 36 feet wide and several miles long at Chegoggin Point, Yarmouth county. The rock is 50 per cent. garnets, the individual crystals ranging up to ¾-inch in diameter. It can be crushed and concentrated to give a commercial abrasive. Plans are being made to develop this deposit.

The Gold Districts

The gold districts of the Dominion Atlantic Railway territory are: Waverley, South Uniacke, Mount Uniacke, Central Rawdon, East Gore, McKay Settlement, Carleton, Kemptville.

The total past production amounts to 250,000 tons of ore, principally from the first five districts. Aside from these districts there are numerous gold prospects throughout the country that have not developed into mines. The nature of the gold occurrences of Nova Scotia has been thoroughly studied for 60 years, and it may be said with some assurance that gold deposits are not to be found outside of the districts as named above.

At present only little gold is being produced from these districts but interest is awakening. Most of the territory is held in blocks of "areas" by parties who annually pay rent to the Government to keep their claims valid, in the hopes that there will be a revival in gold mining when their holdings will become marketable. The majority of these holdings consist of areas that have been worked to shallow depths, with no surface ore remaining and the workings full of water, so that surface examinations yield no evidence of their value. In some cases there are reliable government records that show the state of the workings and the grade of ore produced at the time of cessation of operations.

Will Pay at Depth

The contention of those holding these areas is that with modern methods, and the recovery of the associated arsenic, their mines will pay at greater depth. In most cases the early miners depleted the rich ore shoots on which they worked, and expensive underground exploration is necessary for the discovery of new ore shoots.

At present small mining operations are under way at Mt. Uniacke, South Uniacke, Rawdon and Kemptville.

Gypsum Situation

Gypsum beds cover many square miles of Hants county. The supply may be considered more than sufficient for any possible needs of the future. It is the only mineral that is extensively mined in the Dominion Atlantic Railway district. Production for 1927 was 613,700 tons out of a total of 851,953 tons for the whole of Nova Scotia. Of this amount only about 11,000 tons were calcined and manufactured into finished products at Windsor, the remainder was shipped to the U.S.A. in the raw state.

The Windsor and Walton districts are the principal producing areas, the chief producers being large corporations having maufacturing plants in the United States.

The maufacturers of gypsum products are the Windsor Plaster Co. at Windsor and the St. Croix Gypsum Mining and Manufacturing Co. at St. Croix. The latter company is a new venture and they have only an experimental mill. They have, however, an excellent deposit of gypsum that makes first class plaster.

Among the undeveloped gypsum deposits may be mentioned those of Urbania, Hants county. In this district there is a gypsiferous area of 14 square miles and there are large deposits of high grade gypsum. There is another large area of excellent gypsum at South Maitland on each side of the right-of-way of the Dominion Atlantic Railway. Those deposits near the Shubenacadie River are very favorably situated for mining and shipping. There are other undeveloped deposits at Kennetcook, Ellershouse, Threemile Plains and Brooklyn.

Large Iron Deposits

There are large deposits of iron ore at Torbrook and Nictaux and a smaller one at Clementsport, Annapolis county. These deposits consist of beds 2 feet to 20 feet in thickness and several miles long and have produced several hundred thousand tons of ore in the past. To produce a pure product concentration became necessary, and the increased cost of treatment made it impossible to compete with Newfoundland iron ore. The mines have been shut down since 1911 and most of the plant dismantled. The deposits are owned by the Canada Iron Foundries, Limited, of Montreal.

Numerous very small isolated iron ore bodies of little importance occur throughout the North Mountain.

Between Windsor and Truro, north of the railway, there are further scattered deposits. Many of these have been opened up and some ore extracted in the past, but they have proved to be pockety and of little importance.

There are some clay ironstone beds in the coal-bearing formation at East Gore. Their quality and extent have not been determined.

Limestone Resources

There is a large limestone area between Windsor and Truro. Many beds of limestone are exposed in this area, often in high cliffs that would facilitate quarrying operations. The average composition of the rocks lying near the railway is:

Calcium Carbonate ...	91 to 94%
Magnesium Carbonate.	1 to 3%
Iron Oxides	0.8 to 1%
Siliceous Residue	2 to 5%

The better grades are suitable for burning for ordinary purposes. The only lime burning operation is that of the Eastern Lime Co. of Windsor, which has a small plant. The product is used chiefly as a base for insecticides for orchards. A small amount only is used as a hydrated building lime.

There is a good possibility of building up a lime industry in this region. The main problem would be that of marketing the lime, which would not be as high grade as that now used, but which would be quite serviceable. Nova Scotia uses 10,000 tons of lime, all of which is imported, in a busy year.

Uses of Limestone

The use of crushed raw limestone as a land dressing and soil corrective is being more appreciated every year. The Government now offers a bonus in the form of a partial rebate on the freight costs of this material and its use is steadily increasing.

The chief deposit is at New Ross, Lunenburg county. This deposit has not been recently examined but a good description is given in the Geological Survey of Canada 1918 Report, Part F. A carload of this ore was shipped to a manufacturing concern in Quebec a short time ago and was found satisfactory.

A mine—Aylesford Manganese Mining Co.—has been opened on a deposit near Nicholsville, Kings county, 3 miles from the railway. Operations have not been sufficiently extensive to establish the dimensions of the ore body.

Numerous old manganese prospects are found in the Walton area between the Avon and Shubenacadie rivers. Some ore has been extracted in the past, but these deposits as a class are isolated pockets, usually too scattered to justify mining operations. Float manganese ore is found widely scattered in this area, but this is no indication of underlying deposits. The manganese of this region seems to owe its origin to local concentration from a manganiferous bed of limestone that is found in this and other parts of the province.

Bog manganese is found at Beech Hill, 2 miles south of Kentville, associated with ochre. The patches of pure manganese ore are rather small, so that any operations would be on a small scale.

Announcing

THE FINANCIAL POST

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Canada and Newfoundland

VOLUME III., 1928

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CANADIAN SUPREMACY IS SEEN BY INVESTORS IN COPPER SECURITIES

(Continued from page 25)

of tonnage that will probably average about 2 per cent. copper. Not far away is another wonder mine called Sherritt-Gordon that shows something like 2.86 per cent. of copper ore and which is looking forward to a tremendous future as a factor in world copper production.

New Brunswick Also

Then there is a prospect of big developments down in old New Brunswick. Important interests are at present tapping away at rock formations that are probably going to startle the Maritimers before very long. In places copper values run as high as 22 per cent. and the average seems to be about 6 per cent. although at the moment this has not been proven as to commercial tonnage.

So the story goes. If Canadian history repeats the story that minerals have been telling through the ages, we are as yet only at the beginning of what is in store for the future.

How many years before Canada assumes world leadership in copper?

A good many yet, according to the statistics. But nevertheless our copper progress is amazing.

In the first place the United States leads the world in the mining of copper. Its production from domestic ore runs at about 60 per cent. of the estimated world total. Then in addition to this, huge domestic production which runs about thirteen or fourteen times the amount of Canadian production, the United States imports between 200,000 and 300,000 tons of foreign and Canadian ore which it refines in its own mills.

Canadian annual production — which is increasing by leaps and bounds—is now running at about 70,000 tons a year. Practically all this goes to the States. United States production is running at something over 900,000 tons per year, and is increasing at three or four per cent. per annum. At the present time they are on the eve of developing a huge body of Peruvian copper which, after certain difficulties have been straightened away, will doubtless yield a further huge amount of copper for American consumption.

So the picture of Canada, sitting on the world's copper lid, is still remote; it depends upon the speed at which Canadian mills can be brought into play and the relative cost at which our copper can be mined. On this latter score we have a decided edge at the moment.

Nevertheless there are interesting possibilities both for the investor and the statistician who is interested in watching the copper story as it unfolds itself. At the rate that Canada is discovering copper properties of high commercial content, backed by millions of tons of ore reserves, we will soon be making the biggest annual increase of any country in regard to copper production.

At the present time we probably rank about fourth in the copper race, United States, Chile, and Belgian Congo ranking ahead of us. Ten years from now the story may be a very different one.

EPLETT METCALFE IS DIAMOND DRILLING

Has Struck Chalcopyrite in Every Hole Drilled to Date

Eplett Metcalfe Mining Co. are meeting with encouraging results from the diamond drilling campaign it is carrying out on its property in Montbray Township, Quebec, S. D. Eplett, president of the company informs The Financial Post.

Mr. Eplett states that diamond drilling was begun three months ago in an endeavor to locate the lode and that chalcopyrite has been encountered at depth in every hole drilled to date.

The treasury is financed for a further amount of trenching and an earnest effort is being made to bring the property into the big producer class.

MAY KEEP TRADES TO MINING STOCKS

New Exchange Arises in Definite Competition to Standard

Baptist L. Johnston, secretary of the National Stock Exchange, is of the opinion that this body should confine its trading to mining and oil shares in order to secure the co-operation and assistance of the Montreal and Toronto stock exchanges. The presidents of the Montreal and Toronto stock exchanges are in receipt of the following letter from Mr. Johnston:

"That the Toronto Stock Exchange and the Montreal Stock Exchange and the Montreal Curb Market, acting for their members, or permitting their members to act independently (i.e., by amending the by-laws to allow them to join the National Stock Exchange) buy approximately 30 seats each, or more on the N. S. E. at, say, a nominal figure to be decided upon. This would form a powerful nucleus to which I am prepared to give complete and absclute control and therefore the Toronto Stock Exchange and the Montreal Stock Exchange and, or, the Montreal Curb Market could pass upon all applications for memberships and regulate and control the new subsidiary organization from its outset. After they secured control my idea would be for them to sell additional seats at a considerably higher figure to approximately 20 brokerage firms in Toronto (not now members Toronto Stock Exchange) carefully scrutinized and passed upon by a special committee appointed by the interested members of the three parent organizations and in addition, sell seats to say 20 or more carefully selected American brokers of first-class standing."

FORM RONNOCO GOLD TO WORK IN CODY

To Carry Out 10,000 Feet of Diamond Drilling

Ronnoco Gold Mines Limited has been incorporated to develop a group of claims in Cody and Macklem townships in the Night Hawk area of the Porcupine Camp.

The company is capitalized at $3,000,000 and is said to be amply financed to carry out initial development work. The sum of $10,000 having been paid into the treasury this month.

The Ronnoco properties consist of six claims in Cody and several in Macklem Township. The claims in Macklem, known as the Red Dog, were at one time owned by Viscount Lascelles and associates. The Cody property is situated north of the Night Hawk Mine and considerable surface work has been done. Surface work on the property has exposed large fractured zones in the porphyry similar to those in the Kirkland Lake field.

To Diamond Drill

A diamond-drilling campaign—about 10,000 feet—is to be carried out to prove the surface showings. Percy Hopkins is consulting engineer. D. O'Connor of Connaught is president, and his name spelled backward gave the company its name. A. F. Kenning, M.P.P., Timmins, is vice-president. J. A. O'Donnell, of Connaught, is secretary-treasurer, and Alex. Sterling and Frank M. Burke, of Timmins, are directors.

Shafts were put down to a depth of about 40 feet on both groups of claims and if diamond drilling warrants, shaft-sinking will be resumed. Assays in the shaft on the Cody claims went up to $13.20 in gold. There are three porphyry dykes cutting the Keewatin and east of the western dyke there is a sheared, heavily mineralized vein 120 feet wide. Assays were obtained up to $11 a ton in the shaft on the Red Dog claims. Transportation in winter is by government road from Connaught, which lies twelve miles distant, while water transportation is available in summer.

MALROBIC ACQUIRES ROBB DEAN GROUP

New Company is Backed by Experienced Mining Men

Announcement is made of the formation of a company to be known as the Malrobic Mines, Limited, to take over the Robb-Dean group of claims, comprising 500 acres, in Malartic Township, Quebec. This property has been favorably reported upon by several engineers of repute, and excellent showings of high grade over good widths have been opened up by work done during the past two years.

The company will have a share capital of $3,000,000, $1.00 par value, of which 1,500,000 shares are issued. Actual work on the property will be under the supervision of Leo Erenhous, president of the Bidgood Mines. Additional buildings are now in course of construction, and necessary machinery to start shaft sinking is on the way to the property. Present intentions are to sink the main shaft on the principal vein where highest values were encountered.

Directors of the company include Leo Erenhous, president, president Crown Reserve and Bidgood Mines; W. E. Bickel, vice-president, Crown Reserve and Bidgood Consolidated; W. B. MacPherson, secretary-treasurer, secretary-treasurer Bidgood Consolidated and Crown Reserve; David Colville, vice-president, director Crown Reserve Consolidated Mines; Melvin Robb, prospector, and one of the discoverers of the properties.

It is understood that a public offering of shares may be made to the public in the near future.

Foreign Power Securities Buys More Holdings

From Our Own Correspondent

MONTREAL.—In an interview on his return from abroad, A. J. Nesbitt, of Nesbitt, Thomson and Company, stated that the companies in France in which Foreign Power Securities are interested were doing well and developing quickly; that financial conditions in France were improving much faster than he had expected when they first took an interest in these companies only fifteen months ago.

In the securities of the Energie Industrielle and its subsidiaries, in which the Foreign Power Securities Corporation was interested, there had been a great appreciation in value; Energie Industrielle shares, which a year ago were selling at 150 francs, sold at 400 francs per share a week ago, and Basse Pyrenees shares, for which Foreign Power paid 125, were selling at 375; also 7 per cent. preferred shares of the Companie Pyrenean, which were selling at 105 a year ago, were now 180.

While Mr. Nesbitt was in France the Energie Industrielle acquired control of the Gaz de Lyon. This is the company which supplies light and power to the city of Lyons, which has a population of over 700,000 and is a great industrial centre.

Foreign Power supplied part of the money for this, and has an interest in the shares acquired.

CASTLE PROFITS SHOW DECLINE

Decline in Value Due to Low Price of Bar Silver

Castle-Trethewey Mines [illegible] fiscal year ended March 31, [illegible] a net profit of $112,465 as compared with $151,330, earned in the previous [illegible] months. In comparing this year's [illegible] states President J. P. Bickell, in his report to shareholders, "it must be borne in mind that there was a [illegible] this year in the average grade of ore milled, amounting to approximately five ounces per ton. Moreover, the work done at No. 1 shaft increased materially the unit cost for development.

In spite of this increased rate of development and with fewer men on the average employed, the mill tonnage was increased and the over-all unit cost per ton treated remained within approximately three cents of last year's figures."

Recover 858,043 Ounces of Silver

A total of 349.1 dry tons of concentrates were shipped, having an average grade of 2,457.87 ounces per ton. In the previous report the average grade was 2,946 ounces. A total of [illegible] ounces of fine silver was recovered and 34,388 pounds of cobalt. The average price obtained for silver per ounce was .5666, against .5765 the previous year.

Milling costs per ton amounted to $1,406, as compared with $1,4[illegible] in 19[illegible]. Total operating costs per ton amounted to $9,616, or .451 per ounce. In the previous period total costs were $9,[illegible] or .366 per ounce. During the year [illegible] feet of lateral development was accomplished, at a cost per foot of $[illegible].

"The nature of the diabase deposits of this mine demands the doing of a large amount of exploration and development," says Manager Angus D. Campbell. "The ore shoots are in vertical veins, cutting through a faulted area which dips at about 40 degrees, and roughly parallels the overlying diabase-keewatin contact. Some ore shoots are terminated either in their upward or downward extensions by the faulting, while in others the ore is merely shifted in position a few feet by this faulting. While the development done continues large for the tonnage milled, it is being done at a low cost, and there is a large area of promising ground yet to be explored.

"The No. 1 shaft was worked for most of the year, 2,729 feet of exploration being done, including 167 feet of sinking. Several calcite veins were cut in the work, one of which was on the 450-foot level, showing some high-grade ore where cut. Further development by drifting, raising and sinking did not develop a payable ore shoot. Work at this shaft was discontinued in March.

Development Program

"A more extensive program of development was carried on at the No. 3 shaft than heretofore, though total monthly expenditures on this work was not increased. The work was successful in finding enough ore to replace a major portion of that mined during the year. New veins 55 and 22 made a good production. No. 22 is now being developed on the 475, 550 and 625 foot levels. On the 700-foot level No. 10 vein showed a very good ore shoot, though its eastern extension was not so rich as on the 625-foot level above. At the end of the year a winze 150 feet deep was sunk below the 700-foot level. Exploration will be carried on at the 775-foot and 850-foot levels."

Current assets of $471,058 were disclosed by the balance sheet, against $389,495 a year before. Fixed assets were down from $2,155,791 to $2,0[illegible]792. Deferred charges were shown at $5,005. Current liabilities were reduced from $53,796 to $35,885. Capital stock issued amounted to $2,000,000. Surplus was shown at $533,970, against $493,434 in the previous report.

Silver and cobalt recoveries amounted to $486,186, and miscellaneous income was $15,957. Operating costs were $350,370, and administrative and general costs $36,676. Operating profit for the year, before providing for depreciation, was $115,096. Reserve for taxes amounted to $2,630, and net profit $112,465. Provision for depreciation was $55,854, and development undistributed, written off, $21,028.

Abonde Drill Diabase

The Abonde Mine which is located south of, and [illegible] to the Abana Mine, in Desmeloizes Township, Quebec, is engaged in diamond drilling the extension of the diabase dyke which extends on to the Abonde property from the Abana.

Build New Elevators

Swinging into action for the approaching harvest season the Gillespie Grain Company, Limited, is planning to erect about six new elevators this year, according to John Gillespie, president of the firm. The building of six new elevators with a capacity of 40,000 bushels each is the present plan.

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